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The National Underwriter

LIFE INSURANCE EDITION

FRIDAY, APRIL 1, 1932

LIFE REINSURANCE STANDARD AND SUB-STANDARD



North American Reassurance Company

**LAWRENCE M.
CATHLES, PRESIDENT**
250 PARK AVENUE
NEW YORK

B18

Corporations Have It—and Them

It has been demonstrated, time and time again, that the great corporations of the United States have *SOUL*. They have more soul than a great many *human beings*, as a matter of fact.

That they have *HEART*, as well, is demonstrated by this experience, which is but one of many: The Northwestern Mutual Life Insurance Company has quite a few outstanding checks on account of dividend payments, and it constantly keeps trying to locate the payees, that they may be paid. Among others, was one issued some time ago to a man who lived on a rural route in Nebraska, and the check amounted to \$12.57. Correspondence revealed that the insured, payee under the check, died March 26, 1918. His widow, who had remarried, was quite sure the check had never been received, and, she added, it would come in "awful handy" if she could have a duplicate.

On receipt of this information, the widow was recently advised, much to her astonishment, that when the insured failed to pay the premium due March 21, 1918, the policy was changed to term insurance for \$3,000, good until January 29, 1919, but inasmuch as he had died March 26, 1918, if she would submit proper proof of death, the Company would be glad to make full settlement under that policy.

Not only will the widow receive the \$3,000 face of the policy, assuming that proofs can be made, but she will receive a substantial sum in addition, all because the Northwestern wants to pay what is due and owing to its patrons and their representatives. If the \$12.57 would have come in "awful handy," how much more so will be this veritable "windfall"?

No doubt other life insurance companies can point to similar experiences, which justify the assertion that there *are* corporations which have both *HEART* and *SOUL*.

THE NORTHWESTERN MUTUAL LIFE INSURANCE COMPANY

Milwaukee, Wisconsin

The New IMPROVED "LITTLE GEM" Life Chart for 1932

shows 40 more companies than last year—
has an improved arrangement of information—
shows all the latest facts and figures—and in-
cludes A FIVE YEAR REPORT on 300 companies.

In these times, when up-to-date facts and figures on life insurance have become more necessary than for many-a-year, *every agent*, even the part time man, *wants the "Little Gem."* There is nothing else that he can obtain, that will provide him so well with the "high spots" about the life companies and policies which are most frequently needed. Life Insurance, while conspicuous and outstanding for its strength and vitality, will nevertheless be analyzed, criticized and tested in 1932, both as an institution and by individual companies as never before.

More Changes in Rates—Dividends—Disability than for many-a-year

The situation is such that an agent has almost got to have the facts and figures to intelligently meet present day conditions. And, so many changes have occurred during the last year—(1) disability; (2) new "special" policies, and (3) dividends—that old books are worthless. The new improved "Little Gem" with 40 more companies shown than last year, a new arrangement of information shown, a new section of annuity rates, ideally meets the present situation. *You must have up-to-date facts and figures.*

And for 1932

You Want This

FIVE YEAR FINANCIAL & INSURANCE REPORT

on Over 300 Companies

One special feature of the "Little Gem," is the financial and operating report of all established companies, (over 300) shown for a 5 year period. These annual statement figures, an *exclusive feature of the "Little Gem,"* are particularly important this year and are not obtainable from any other small reference book. You want the 1932 "Little Gem" if for these statement figures alone. They give you a "line" on almost any company.

This comparative report, so important this year
is an exclusive feature of the "Little Gem"

ORDER YOUR 1932 "LITTLE GEMS" NOW

Now Being Delivered



Its best recommendation—
largest circulation of
any book of its
kind!

(the little
"Red Book")

Every agent wants the new 1932 "Little Gem"

because it will answer practically any question about policies, rates, net costs, dividends, cash values, and financial and insurance standing of the companies that are ordinarily met while canvassing and it costs so little.

It will back up your sales points, give you greater confidence because you have the facts, save your time and broaden the scope of your service to policyholders.

Improved Arrangement of Information New Showing of Annuity Rates

In the new "Little Gem" cash values and term rates, formerly shown in a separate section, will be given with the other data for each company. This distinct improvement combining practically all policy points about each company on consecutive pages, *without increasing its size*, will make the new "Little Gem" much easier to use. A new section, giving annuity rates for prominent annuity writing companies will be another special feature of the 1932 "Little Gem."

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to All Agents

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rate.....copies of The 1932 "Little Gem"

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If for any reason, the
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Reference Book Department

420 E. 4th St., Cincinnati

"I am a Hoarded Dollar"

"I am part of that One Billion, Three Hundred Millions of Hoarded Money about which President Hoover has been speaking.

"My owner has put me away in a dark Safe Deposit Box. I am not doing a thing. Having always been accustomed to an active life, this enforced idleness is really killing me. I'm as good as dead.

"Formerly I was circulating around helping to make the wheels of industry turn. I gladdened the heart of many a merchant. Every Saturday night some family was happier and better because I came into their midst.

"I formerly traveled all over the country, in and out of stores, helping to build homes and factories, paying freight bills, buying crops from farmers, constructing roads and bridges and power plants. I have helped mine coal, run steel mills, buy automobiles and enabled people to travel.

"One of the ways I was employed again and again was to pay life insurance premiums, and I was never happier than when used to protect some family or to provide for some one's old age through a life insurance or annuity policy. I have been in every life insurance office of the country, but was never permitted to stay there long. In a day or two I'd be invested in some mortgage, or some high grade corporate or government security, or used to help some widow.

"I wish my present owner would put me back in circulation right now. I can assure him that there is no safer or more useful place for idle dollars like me than with a great life insurance company. Maybe my present owner will happen to think of Equitable life insurance or an Equitable annuity as a good thing to buy for his family or for himself. Then I would again see the sunshine and get out of this deadly dungeon where I'm not a bit of good to anyone."

THE EQUITABLE

LIFE ASSURANCE SOCIETY OF THE UNITED STATES

Thomas I. Parkinson, President

393 Seventh Ave., New York, N. Y.

The National Underwriter

LIFE INSURANCE EDITION

Thirty-Sixth Year No. 14

CHICAGO, CINCINNATI, NEW YORK AND SAN FRANCISCO, FRIDAY, APRIL 1, 1932

\$3.00 Per Year, 15 Cents a Copy

Suicide Problem Defies Solution

Epidemic of Self-destruction
Among Business Leaders
Proves Serious

BIG INCREASE THIS YEAR

Change of Incontestable Laws Sug-
gested but No Likely Remedy
Proposed So Far

The epidemic of suicides of prominent men, roughly concurrent with the Ivar Kreuger tragedy, while serious enough in itself, was an indication of a definite and disquieting suicide trend since the first of the year, life companies report.

For several months prior to the close of the year, it looked as if the temporary improvement in suicide mortality might be an indication that most of the potential suicides had done away with themselves, leaving only those who had adjusted themselves to changed conditions or to the possibility of straitened circumstances. The year to date, however, shows an increase in deaths from this cause.

Sets Example for Others

While the idea of committing suicide because of someone else's example seems fantastic, yet experience shows when prominent men like Kreuger and George Eastman end their own lives there are always a number whose self-destruction can be traced to the examples of such prominent men. While it would be going too far to say that such imitators hope to shine by reflected glory, yet there is no longer the deterrent effect that existed when the idea was more generally held that suicides were all either weak, cowardly or insane.

Of the remedies discussed, none has any appreciable number of ardent supporters. There is talk of a concerted effort to have the incontestability laws changed in the various states to permit a three-year suicide clause, but it will probably be a number of months before any decision will be reached as to the desirability and practicability of such a move.

Easy to Fake Accident

A good deal of the value of any kind of suicide clause is nullified by the ease with which a policyholder can fake an "accident," resulting frequently in the payment of double indemnity where if the truth could be ascertained the beneficiary would receive only the premiums paid. Many officials feel that so long as there are cliffs to drive cars off and automobiles to be repaired in closed garages, the length of the suicide clause, whether it is one, two or three years, makes little difference.

So widespread is the tendency of suicides to conceal the true nature of their acts that it is quite unusual to find a

(CONTINUED ON PAGE 20)

Strike Destructive Method

Dangerous Situation Confronts Life Insurance with
Attacks Made on Various Companies, Largely Due to
Supposed Loss on Different Forms of Investment

Destructive competition among life insurance field men is becoming of such great importance that it is being suggested that companies get together and form some kind of a mutually protective organization and take steps to prevent pernicious activity on the part of agents who work in such a way, when forced into competition, as to destroy the confidence of the public in life insurance by attacking a competitor.

It is pointed out that there are laws in some states against attacking the integrity of banks but nothing like this has ever been attempted in the life insurance field. Some agents are running riot in their reflections on companies when they get into a competitive case. The form of this destructive competition is not confined to any one line, but it all tends to the impairment of confidence of the public in the life insurance system, which, if anything is safe and sound in American business today, life insurance most certainly is.

All authorities who have expressed themselves on the subject, from Calvin Coolidge down, agree that life insurance investments represent as a whole the cream of wealth and financial security offered by the richest nation on the globe, or, as Mr. Coolidge says, the "senior securities of the whole nation."

Lines of Attack Based Largely on Exaggeration

The various lines of attack are often based upon absolute misstatement and gross exaggeration, at other times they are directed against certain classes of securities such as railroad bonds, farm mortgages, common stocks, public utility securities, etc. The agents of companies which have no farm mortgages attack and deprecate the value of farm mortgages. In turn, the farm mortgage company agents attack the companies which have holdings in railroad bonds, etc. Every form of investment is subject to some kind of criticism. Many agents are spending more time in studying up the supposed weak points of their competitors than in emphasizing the splendid position which all life insurance as a whole occupies.

And yet, it is pointed out that whatever life insurance is being sold at the present time is being marketed largely upon the proposition that life insurance by the superior nature of its investments is standing practically depression proof in the face of one of the greatest financial stringencies the world has known. Agents of companies which have reduced their dividends the past year or two take pains to point out that other companies which have not reduced recently have done so at other periods in the past. In fact, the agents of some participating companies are, as one general agent remarked, acting towards other participating companies much as one would expect a non-participating agent to do.

Agents Are in Same Position

"The fact is," he said, "that all participating and non-participating agents are in the same position and neither should attack the other because every time an attack is made a doubt is thrown on the integrity of all companies. If the non-participating companies guarantee their rates, and assuming that they should have great investment losses, the stockholders would suffer first and when their funds were exhausted the company would go into a receiver's hands; while in the case of participating companies losses are taken care of and the actual cost adjusted by fluctuations in dividends. In no case can either class of companies furnish life insurance permanently at less than cost and each class of company is just as likely to suffer in its investments as the other. A participating company which has not reduced its dividends this year may do so next year. The big fact to remember is that the companies as a whole are probably about equally well managed as to their investments. No one, not even the brightest of them, had any idea of the scope the present depression would take nor was there any investment judgment so sound as to anticipate that this or that form of security would topple in values to the extent that even first lien mortgages and bonds of the greatest underlying sound value might possibly become impaired. When the last word is said it was the laws of the states as much as the investment intelligence of the company that kept the life insurance business in the enviable position which it now occupies.

Poor Business to Make Attacks

The practical thing to be considered by the life insurance world at the present time is that it is just poor business on the part of one agent to attack another's company on the basis of destructive criticism of investments, reduction of dividends, etc. Each year some company reduces its dividends and life insurance today is probably being furnished at a lower cost than ever before, in spite of the economic depression. All agents have the inclination and desire to sell life insurance on the strength of its splendid position, but if their companies are attacked they are apt to forget this and descend to underhanded methods.

A case in point: Recently a general agent called his agents together and requested them not to use certain facts against another company which might reflect upon the integrity of its management or affect the security of its policies, on the ground that such methods would injure all life insurance and nothing

(CONTINUED ON PAGE 20)

High Court Saves Missouri State

Writ of Prohibition Issued
Against Any Receivership
Action

QUICK ACTION IS TAKEN

State Supreme Court Spikes Maneuver
Inspired by Owner of 5 Shares
of Stock

ST. LOUIS, March 31.—The Missouri supreme court has issued a writ of prohibition restraining the St. Louis circuit court and the receivers appointed by Circuit Judge Hall from taking any steps whatsoever as to a receivership action against the Missouri State Life until the supreme court has an opportunity to pass upon the issues in the case.

In a most unusual action Judge Hall had earlier in the day named temporary receivers for the Missouri State on the amended petition in a suit brought against the company by Jerome Duggan, St. Louis attorney, who owns but five shares of Missouri State. Judge Hall had named Superintendent Thompson and Montague Lyon, an attorney, as temporary receivers, and had ordered the company to show cause on April 14 why the receivership should not be made permanent. Lyon immediately filed a bond for \$100,000 which was approved by Judge Hall.

Thompson Not Advised

Superintendent Thompson was unaware of the action contemplated by Duggan and his attorneys and was not in court when Judge Hall took his summary action against the company. Neither was counsel for the company advised.

The quick action of the supreme court in stopping the attempt to throw the company into even temporary receivership is an indication that the highest court in the state is not in sympathy with the apparently hasty step taken by Judge Hall.

Duggan had filed his original suit last Dec. 14 and at that time asked for the removal of eight of the directors, alleging that while the company was solvent it had suffered losses through mismanagement. His amended petition just filed held that the appointment of receivers to protect the policyholders and stockholders was an "urgent necessity, by reason of grave doubt, as disclosed by recent examinations into the business of the corporation, concerning the solvency of the corporation and the advisability of its continuance in business."

He alleged that the company had suffered a large loss through buying \$2,000,000 in securities from Caldwell & Co., in 1930. This was the deal through

(CONTINUED ON PAGE 20)

Sterling Casualty Defies the Michigan Department

SELLS WITHOUT A LICENSE

I. E. Stein Threatens Action if Livingston Urges Residents Not to Insure in Chicago Company

A spirited controversy has taken place between Commissioner Livingston of Michigan and I. E. Stein, general manager of the Sterling Casualty of Chicago, the right of the Sterling Casualty to do business by mail in Michigan and to solicit Michigan business by newspaper advertisements, without a license in that state, being at issue.

Mr. Stein took the question up with Mr. Livingston, after he had received a letter from the "State Journal" of Lansing reporting that Mr. Livingston had attempted to induce that newspaper to discontinue Sterling Casualty advertising. Mr. Stein wrote to Mr. Livingston saying that the Sterling Casualty is operating entirely within the law. He cited federal court decisions to the effect that a state license is not required of a foreign company which does not maintain agencies or salesmen in the state and which consummates the insurance contracts outside of that state.

Michigan Department's Reply

The Michigan officials replied that they did not recognize companies not licensed in Michigan and that they would do everything legitimately possible to discourage Michigan citizens from insuring in nonadmitted companies. They pointed to the fact that Michigan residents have no recourse to the Michigan courts under contracts with nonadmitted companies.

Mr. Stein then wrote again to Mr. Livingston, threatening to seek personal redress if the Michigan commissioner interfered with the operations of the Sterling Casualty. He contends that if any inquiries about the Sterling Casualty are submitted to the Michigan department, that the Michigan officials are guilty of misrepresentation when they say merely that the Sterling Casualty is not admitted in Michigan. Mr. Stein contends that the Michigan department should advise inquirers that although the Sterling Casualty is not admitted in Michigan to operate through agents or salesmen, that under the federal constitution it is permitted to consummate contracts by mail from outside the state. He threatens to get an injunction against Mr. Livingston if there is evidence that the commissioner is seeking to dissuade Michigan residents from insuring in the Sterling Casualty.

The Sterling Casualty is militantly asserting its rights to operate without a license except in Illinois and Mr. Stein has asserted the position of that company emphatically in communications with other departments, which have had the issue up. He tells the various commissioners that they are not in a position to crusade against the Sterling, because in their states are companies operating by mail or radio in other states without benefit of license. He states that the Sterling is operating within the law and proposes to take advantage of every provision of the law and the constitution.

As to the contention that Michigan insureds of the Sterling have no recourse to the Michigan courts, Mr. Stein said that very few policies are ever in dispute and that Michigan insureds can appeal to the Illinois department, which, Mr. Stein says, can "compel payment of just claims."

The Sterling is an assessment accident and health association, L. A. Breskin is president. Mr. Stein has been connected with the Sterling since July, 1931. He was formerly a sales promoter for other concerns.

Commissioners' Convention Annual Meeting Date Set

DALLAS SESSIONS OCT. 17-18

Business Meetings to Be Held There, With Entertainment Features Scheduled at Galveston Oct. 19-20

OKLAHOMA CITY, March 31.—Secretary Jess G. Read announces the annual meeting of the National Convention of Insurance Commissioners will be held Oct. 17-18 at Dallas, Tex., and Oct. 19-20 at Galveston. The Baker Hotel in the former city has been designated official convention headquarters. The late date was selected to avoid the hot weather, and to prevent conflict with the American Life Convention in Toronto the first week of October to afford opportunity for commissioners to attend both meetings.

Urges Early Reservations

The Texas State Fair will be in full swing in Dallas at the convention time, and as large crowds are anticipated, Mr. Read suggests that reservations be made at once. This is one of the largest events of its type in the southwest and is always attended by very large crowds.

Secretary Read says he has been informed that Commissioner Dunham of Connecticut is promoting a side trip to Mexico City from Galveston. All business sessions will be held in Dallas and Galveston will provide all entertainment.

Preston Named at Baltimore

Home Office Man of Penn Mutual Resigns to Become General Agent of State Mutual

James A. Preston, member of the training staff in the home office of the Penn Mutual for six years, has resigned and becomes the new general agent of the State Mutual at Baltimore. He succeeds Harry McBratney.

Mr. Preston has been in life insurance since early in 1919, when he started at the home office of the Missouri State, St. Louis. Later he was appointed Arkansas manager of that company at Little Rock, a post which he held four years, and then went east to the Penn Mutual. Mr. Preston will be remembered for the illuminating talk which he gave at the meeting of the marketing division of the American Management Association in Pittsburgh two years ago, on "The Value of Organized Sales Talks," an address which provoked widespread comment, even from foreign countries, and has been put to practical use by sales managers in general business.

Vice-president J. A. Stevenson of the Penn Mutual states apropos of the appointment: "Mr. Preston has done good work for the Penn Mutual and has made a name for himself in life insurance. He is an accomplished salesman and an exceptional teacher of salesmen. As a speaker he is in demand for sales congresses and meetings of life underwriters' associations because of the instantly perceived practicality of the sales material which he displays and illustrates. The best wishes of this organization go with him to his new field."

Dawson Has No Comment

LOUISVILLE, March 31.—Federal Judge C. I. Dawson still has no comments to make regarding the presidency of the Missouri State Life, which he tentatively accepted about the first of the year, effective March 1. He is still trying federal court cases, and has not resigned from the federal bench.

American Life Convention Opposes New Revenue Bill

OBJECTS TO FLAT REDUCTION

Executive and Tax Committees Have Been Holding Joint Meetings on the Subject

WASHINGTON, D. C., March 31.—The executive and tax committees of the American Life Convention have been holding a number of joint meetings here on the proposed increase in taxes under the new federal revenue bill. Since 1918, the life companies have had a deduction of 4 percent upon the income from invested reserves but not from capital or surplus. This was an arbitrary figure that was fixed, intended to clear in all cases the reserve requirements. The new bill reduces this deduction to 3½ percent. This does not clear the required additions to 4 percent business nor does it leave the necessary margin for 3½ percent reserve, the latter being requisite because no funds can be handled and rotated to produce a certain figure without some allowance for expenses, idle money, etc.

Anticipate Successive Reductions

The American Life Convention people evidently see the possibilities of successive reductions if a flat rate deduction is to be used. It is the proposal of its tax committee to have written into the law the principle that this deduction shall in no case be less than the aggregate additions necessary to maintain the reserve plus one-half of 1 percent. Looking to the future the committee sees that if this minimum is not put into the law at this time, a bare flat rate may be reduced to destructive size. It is stated here that the Life Presidents' Association is agreeable to a flat rate and opposes the American Life Convention proposal. The New York companies apparently are the main supporters of the flat rate proposition. The American Life Convention, however, firmly states that any flat rate discriminates against the western, southern and southwestern companies.

Arrange Joint Management

Regenstein Takes Charge of Missouri State as Well as Inter-Southern at Cincinnati

Following the resignation of Chas. E. Stumb, branch manager of the Missouri State Life at Cincinnati, Ellsworth Regenstein, state manager in Ohio for the Inter-Southern Life of Louisville, succeeds him. The Missouri State Life office has been moved to the Inter-Southern headquarters in the Dixie Terminal building. The two companies maintain separate clerical forces but under the joint management of Mr. Regenstein. Mr. Regenstein is a director of the Inter-Southern and has one of its largest agencies. He has consistently supported M. J. Dorsey in Inter-Southern and Missouri State affairs.

Move to Cut Oklahoma Tax

OKLAHOMA CITY, March 31.—A state convention for the purpose of organizing a state tax reduction association is called here April 16.

This is another step in the program sponsored by the Associated Industries and other affiliated groups for a state survey of taxes and governmental expense reduction campaign. Within the past week various groups have discussed the possibility of asking for a special session of the legislature. This may come up at this meeting. The total cost for the state is now figured at \$140,000,000 a year, and it is hoped \$30,000,000 may be cut from this bill.

Want Dominion Control of Company Solvency Retained

MITCHELL STATES POSITION

Outlines Attitude of Canadian Companies in Controversy Over Insurance Jurisdiction

OTTAWA, CAN., March 31.—Though the controversy over insurance jurisdiction in Canada is still far from solved, company officials feel that while provincial rights in the regulation of the business must be recognized, the control of the companies from the solvency viewpoint can best be left with a central authority. This would mean continuance of the Dominion insurance department, with powers more limited than in the past.

A. N. Mitchell, general manager Canada Life, said: "The life companies are trying to bring about some sort of unanimity of opinion between the Dominion and provincial authorities, to work out an act that will be satisfactory to all concerned, and make unnecessary further references to the privy council. Its decision last fall found that certain sections, at least, of the insurance act under which we have been operating were ultra vires. The decision has made it very definite that regulation of insurance operations falls entirely under the provincial authorities. At the same time all the companies, fire and life, are very anxious that there be central jurisdiction as to inspection for solvency, and that those purposes should be achieved under a central bureau somewhere."

Companies' Position Defined

"Our belief is that there is only one feasible way—to maintain inspection under the Dominion as to solvency. We have been very frank with the provincial authorities in this matter. The two provinces which have been very properly active in this situation are Quebec and Ontario, but we have every reason to believe that Ontario, and likely Quebec, will not object to the Dominion carrying on with an inspection bureau, from the solvency standpoint. On the other hand, we will strenuously object if the Dominion authorities attempt to put into their acts anything that has to do with the regulation of our business. The privy council has not yet decided what powers the Dominion has, although it has clearly said what powers the Dominion, in this matter, does not have. The life companies got together to try and bring about an agreement between the Dominion and the provinces, to arrive at some sort of legislation that we are all agreed on, which would leave in the hands of the Dominion the inspection of the companies from the solvency angle, and also make it clear that the Dominion authorities were not interfering with the settled provincial rights of general operative regulation."

New Bills Introduced

Two bills designed to eliminate any conflict of authority existing between Dominion and provincial legislation have been introduced in the Dominion parliament by Senator Arthur Meighen, government leader. The provinces of Ontario and Quebec have not yet acquiesced in the terms of the new bills. Further conferences will be necessary, but meantime the bills can be considered by the senate committee.

The first bill establishes the department of insurance on the basis laid down in the recent decisions. The second bill deals only with foreign companies. British companies were not included in the bill relating to foreign companies but would be dealt with in a third bill concerning Dominion companies.

Plans Are Made for the Meeting

American Life Convention Goes Outside United States for Next Gathering

SCHEDULE OF SESSIONS

F. V. Keesling of the West Coast Life Is Head of Program Committee for Toronto

The American Life Convention this year will officially pay tribute to the Canadian life companies that are members of the organization. When the convention holds its annual meeting at the Royal York Hotel, Toronto, Oct. 5, it will mark the first time that it has met outside of the United States. This year's meeting is being held in Canada in recognition of the important part the life companies of the country to the north have played in placing the institution of life insurance in the high place it now occupies in the economic life of the world.

Canadian Company Members

The Canadian companies which are members of the American Life Convention are: Canada Life; Confederation Life; Imperial Life, and Sun Life. Officials of Canadian life companies have long been prominent in the affairs of the American Life Convention. T. B. Macaulay, president Sun Life, and A. N. Mitchell, general manager Canada Life, are vice-presidents of the convention, while J. H. Domelle, secretary Canada Life, is chairman of the home office management section.

As has been the custom for many years the Legal Section will convene in advance of the general meeting. The first session will be held Oct. 3, and it will conclude its sessions on the following day. The Financial Section plans to meet Oct. 4.

The annual golf tournament will be held Oct. 3-4 and the prizes will be awarded at the stag dinner Oct. 4.

Meeting of the Convention Proper

The main body of the convention will gather the morning of Oct. 5. Following the customary addresses of welcome by prominent Canadians and greetings from other important life insurance and business organizations, including the National Association of Life Underwriters, Association of Life Insurance Presidents, the National Convention of Insurance Commissioners and the U. S. Chamber of Commerce, John M. Laird, vice-president Connecticut General and president of the American Life Convention, and Judge Byron K. Elliott of St. Louis, manager and general counsel, will deliver their addresses.

Informal Group Conference

The afternoon of Oct. 5 there will be an informal conference on group insurance, while the executive session is to be held the evening of the same day. The general session will continue the morning of Oct. 6. That afternoon the Home Office Management Section will hold its sectional meeting. The annual banquet and dance is scheduled for the night of Oct. 6.

The Agency Section's sectional meeting is to be held the morning of Oct. 7, in advance of the general session. It is probable that the new officers and the place for the next annual meeting will be decided at the session of the main body.

Francis V. Keesling, vice-president,

Advertising Life Group to Have Round Table Meeting

WILL GATHER IN NEW YORK

Program Is Announced for the Round Table Discussion at the Pennsylvania Hotel

NEW YORK, March 31.—The life group round table of the Insurance Advertising Conference will hold its spring meeting at the Pennsylvania Hotel here May 4.

Topics for discussion have been assigned as follows: "Radio Advertising," B. N. Mills, president of the conference and secretary Bankers Life of Iowa; "Inspiration vs. Specifications for Sales Letters," C. P. Mayfield, publicity director Fidelity Mutual Life; "Policyholders House Organ," K. H. Mathus, editor of publications, Connecticut Mutual Life; "Trade Paper Advertising," Stewart Anderson, manager of publicity, Penn Mutual Life; "Selecting National Magazines," A. H. Redall, assistant secretary, Equitable Life of New York; "Premium Notice Enclosures," T. M. Rodlun, advertising manager Acacia Mutual Life; "Obtaining Favorable Publicity," W. F. B. McNeary, assistant advertising manager, Equitable Life of New York; "Promoting Conservation with the Written Word," F. J. Price, Prudential; "Magazine Advertising Results," J. E. D. Benedict, Metropolitan Life; "Comparative Results of Newspaper and Magazine Advertising," N. A. White, advertising department, Provident Mutual Life.

Companies Doing Their Part in Keeping Mortgages Alive

WASHINGTON, D. C., March 31.—Vigorous opposition of the insurance industry to the home loan bank bill was voiced before the House banking and currency committee last week by R. Graeme Smith, Connecticut General Life.

Declaring that it can safely be assumed that insurance interests, with their 50,000,000 policyholders who represent probably a great majority of the home owners of the country, have at least two to three times as many direct contacts with American home owners as any other business institution, Mr. Smith asserted that the proposed legislation will do little to relieve the home owner whose mortgage is falling due and who is unable to refinance.

Keep Mortgages Alive

Insurance companies making home loans, he told the committee, are doing their best to keep the mortgages alive and foreclose only as a last resort. "Great forbearance is being shown in cooperating with honest, conscientious borrowers who today, through decreased earnings or misfortune, are not able to meet their full interest, tax and principal payments," he said. "All companies are adding to their field forces for the purpose of directly interviewing, assisting and giving advice to these delinquent borrowers. Providing a borrower is physically maintaining his property, is not diverting funds to other uses that should be applied on his indebtedness and is making every conscientious effort to pay what he can, the companies are uniformly being lenient with him and granting him every concession consistent with sound business principles."

West Coast Life, is chairman of the program committee for this year's meeting. The other members are: G. S. Nollen, president Bankers Life of Des Moines; H. M. Woollen, president American Central Life, and J. G. Parker, actuary Imperial Life of Toronto.

Spring Conference of Life Management Men May 23-24

FOR SMALL, MEDIUM INSURERS

Interesting Program Announced for Chicago Meeting—Rydgren, Boissard, C. M. Taylor to Appear

The 1932 mid-west spring conference of the Life Office Management Association will be devoted to a presentation of committee reports and principal addresses having to do with "Organization and Management Problems of Small and Medium-Sized Companies." The meeting will be held at the Edgewater Beach Hotel, Chicago, May 23-24.

The first business will be report of the committee on advantages and disadvantages of the various methods of collecting premiums and paying commissions in the small and medium sized company. W. D. Owens, vice-president Lamar Life, is chairman, and the other members are: W. F. Hagerman, auditor Minnesota Mutual, and W. G. Southern, vice-president Southeastern Life.

Boissard to Talk

Richard Boissard, vice-president National Guardian Life, will deliver an address "Methods Used to Draw up a Monthly Statement."

"Budgeting and Standard Costs," will be discussed by E. C. Wightman, comptroller Lincoln National; "General Operating Statistics," A. E. Smith, comptroller Security Mutual; "Agency Operating Statistics," F. G. Wolfinger, Central Life of Iowa.

There will be an address the morning of May 24 by A. A. Rydgren, president Continental American Life. C. M. Taylor, assistant secretary Provident Mutual, will give the wage survey report as applied to small and medium sized companies. There will be a committee report on possibilities and limitation in the use of punched cards in a small and medium sized company. R. A. Yarcho, vice-president Royal Union Life, is chairman and the other members are, W. B. Irons, assistant secretary Federal Reserve Life; I. L. Grimes, secretary Mutual Trust Life; and H. J. Hornberger, actuary Great Northern Life.

Harrop Is Nashville Manager

Reau E. Folk Relinquishes Control of Equitable Life of New York Agency

Reau E. Folk is resigning as Nashville, Tenn., manager for the Equitable of New York, a position he has held for 21 years. Before that for 10 years he was insurance commissioner of Tennessee.

Mr. Folk will be succeeded by V. J. Harrop, who has been assistant agency manager.

Impaired in Auto Accident

Mr. Folk's retirement is necessitated by a physical impairment resulting from an automobile accident. Since the first of the year Mr. Harrop has been in actual charge of the agency, although Mr. Folk's resignation is not effective until April 1. Mr. Folk has been seeking to regain his strength.

Mr. Harrop joined the Equitable in 1915 at St. Paul, under W. W. Klingman, who is now vice-president of the Equitable. He became a unit manager in 1918, and in 1923 was transferred to Billings, Mont. In 1925 he was sent to Ogden, Utah, and in 1930 was transferred to Nashville as assistant manager. He has made a record in all of his assignments.

The Nashville agency during the first two months of this year was 22 percent ahead of any previous similar period.

Rewriting Takes Much Attention

Agency Men Plagued by Agents With Emergency Cases To Handle

DECISIONS ARE DIFFICULT

Great Responsibility Rests on Managers in Avoiding Odium of Twisting But Meeting Crisis

Twisting, rewriting, or whatever one wants to call it, this year is absorbing the attention of managers and general agents more than any other consideration in the operation of their agencies.

The situation is bad, and it is growing worse, if that is possible. There seems no escape from the conclusion that a great deal of heavily loaned policies must be rewritten by the issuing companies or competitors will cut in—and properly so, many leaders hold. In the past this was considered a reprehensible practice, no matter what the circumstances, and there are some straight-laced companies which still refuse to rewrite and save the business, irrespective of circumstances.

Seen as Emergency Service

Most companies, however, and most managers and general agents, now recognize that when a case is found in which the policyholder's income is seriously reduced so that it is a physical impossibility for him to dig up the money for both premium and loan interest, then it is justifiable to rewrite, not alone to save the business but as a matter of emergency service to the assured during his period of financial stringency.

However, from that type of case it is possible to draw conclusions which can be extended to a wider number of cases, and that way lies out-and-out twisting.

The real difficulty now is that life agents have been going through a depression themselves. Many of them lost heavily in the stock market. Their production has slumped and their old business has gone off the books at a rate that has put a considerable crimp in their renewals.

Puts Pressure on Agents

They too are faced with insurance premiums, grocer's and doctor's bills. They run across many cases in which the figures taken alone indicate rewriting would benefit the policyholders, and to rewrite would help the agents pay their own bills.

The average manager's business day now is a procession of agents, all proposing to rewrite existing policies. The managers have a great responsibility in analyzing these cases and giving an opinion consistent with the majority view on the ethics of the matter, yet fully considering the best interests of the policyholders.

Some 32 American companies informally have agreed on a standard practice in considering these cases, and this has greatly relieved the weight on general agents' and managers' shoulders.

Under this practice, the agency stipulates in the application if a policy is to be rewritten or replaced. At the home office a letter is written to the company which issued the policy, setting forth all facts obtainable. If an objection has not been received in ten days there is the assumption that the original company does not object, and the new insurance applied for is issued, other factors being equal.

This permits the general agents and

(CONTINUED ON PAGE 22)

Elementary Information Given to Show Why Life Insurance Structure Is Sound Amid the Great Storm

Stewart Anderson, publicity manager of the Penn Mutual, in the April "News Letter" of that company, will tell not only that life insurance is sound but will explain why companies are compelled to adopt a sound investment policy which can almost be regarded as standard among them. A goodly part of Mr. Anderson's observations are herewith presented. He deals with the subject in an elemental way.

Let's form a life company. We want to do three things: 1. Hand \$1,000 to each member who reaches age 96. 2. Pay \$1,000 to the widows of those who don't survive that long. 3. Recoup those who withdraw from the plan.

1. Say that there are 1,000 of us. The best way to provide the \$1,000 at age 96 would be for each one of us to put down a single sum right now, which, with an annual interest addition until age 96, would at that age exactly equal the \$1,000. But most of us are young men, with no accumulations, and few of us have the necessary single sum. So we'll get a mathematician to calculate how much each of us must pay each year up to age 96, allowing for an interest addition each year, to total the desired sum. He has done it, and named the figure, and we set that down as one element in the premium. The fund which it builds up we call the reserve. And we'll assume that we're not

going to earn more than 3 percent on the money invested.

2. The widow. Since the reserve of no one of us would equal \$1,000 at our death prior to age 96, the difference between what we have accumulated and that figure must be found somewhere. So we turn to the actuaries, and ask them to produce their mortality tables. These tables tell us how many of a given group taking policies at a given age will die next year and the year after and so on. And then we ask them what we're going to do about these \$1,000 payments to the widows. They tell us that we must take the reserves on the dead men's policies and add them all up, and then we must take up a pro rata collection from the survivors for the difference between those reserves and the face amount of the policies of the dead men. We ask them to do the figuring, and pretty soon they tell us what each man's share will be.

That figure we put down as the second element of the premium.

3. Those who withdraw. We pay back to them the reserve which they have accumulated. Withdrawals of reserve are not an element in making up the premium—they are simply a withdrawal of a sum which one element of the premium has built up.

4. All this is very fine, but it looks like work for somebody, and that there will be some expense attached to it, and a place needed for doing the work, and other items of expense must be met. And so we figure up how much we shall probably need to pay for rent, for clerk hire and other salaries, for medical examiners' fees, for agents' commissions (because we are going out to give others the benefit of the plan), for taxes, stationery, advertising, and a lot of other things. Having footed them up we agree that we must be completely certain that we have allowed enough for expenses, and to make sure that we have done so we increase the sum a bit. Then we divide it all up pro rata, and the individual's figure is set down as the third element in the premium and we find that the expense element is by far the smallest of the three.

Our three premium elements therefore are, the portion which builds up the reserve, our contribution to the year's mortality, our contribution to the year's expense.

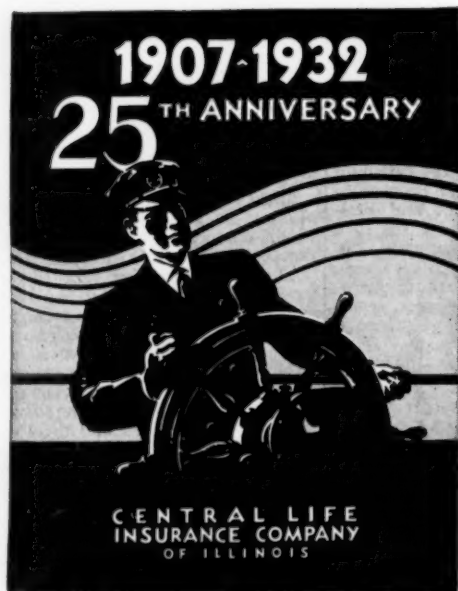
At the end of the first year we hold an experience meeting. We find that our invested funds have paid us say

5 percent, instead of the 3 percent required by our reserve. What shall we do with it? We can't add the excess earning to the reserves, because they must never be a penny more or a penny less than the exact mathematical figure supplied to us by the mathematicians and the actuaries. We find also that our expenses were not as heavy as we projected at the beginning, and there is a saving there. What shall we do with it? We find also that the number of deaths was fewer than the mortality tables told us we might expect, and therefore the mortality charge, contributed by that element of our premiums, was smaller than was anticipated. There is a saving. What shall we do with it? We take the excess interest on our investments, and the savings from our expenses, and the savings from our mortality charge, lump them all together, and label them surplus.

Reserve Is Great Little Secret of Life Insurance

Now, then, will you please fasten your eyes on the word reserve or reserves, for it is the great little secret of life insurance soundness in these troubled times. There are other reasons, but this is the fundamental one: That the reserve fund must grow as the mathematics prescribe, and at all hazards it must be maintained, it follows that there must be a minimum of hazards in the investment of the funds,

(CONTINUED ON PAGE 10)



From Horse and Buggy Days To The Air Mail Age

THE Quarter Century marking the span of the Central Life's existence has been the most remarkable era in the story of mankind, witnessing achievements which make the story of Aladdin and his magic lamp fade into insignificance.

From horses and buggies to airplanes—from cigar store Indians to chromium and plate glass store fronts—from the cabinet organ to the radio—from a nation considered provincial by old world standards to the dominant factor in the affairs of mankind—all of these have happened during the 25 years of the Central Life's growth.

From a 20x75 storeroom in a small Illinois community to its present magnificent 16 story home in Chicago, the great metropolis of the great Central West—from Ordinary Life and 20 Payment Life policies to its "Silver Jubilee Policy"—the Central Life Insurance Company of Illinois has kept step with the "March of Progress".

Complications Arising Over Merger of Two Companies

WILSON AND BUSHMAN BREAK

Bank Savings Life and Federal Reserve Life Deal Temporarily Blocked

KANSAS CITY, KAN., March 31.—The proposed merger of the Bank Savings Life of Topeka and the Federal Reserve Life of this city may fall through because of the unwillingness of the bank that holds considerable of the Bank Savings stock as collateral for the loan to vote it. There were special meetings called for March 22 to ratify the merger and an attempt made to secure an injunction against voting some of the Federal Reserve stock. Interest attaches to the break between Massey Wilson, who figured conspicuously in the Federal Reserve, and President B. Frank Bushman.

Controls Chicago Fire Company

Mr. Bushman is now in control of the Fire Insurance Company of Chicago which owns 15,100 shares of Federal Reserve Life stock, 16,915 Farmers National Life of Chicago stock, and owns almost all the Iowa National Fire. Mr. Bushman got control of the Fire Insurance Company of Chicago last June from Mr. Wilson. There was no change in the directors nor was any announcement made. Mr. Bushman now contends that Mr. Wilson took advantage of the condition and had the directors seek to enjoin him from voting the 15,000 shares of Federal Reserve stock in favor of the merger. Mr. Bushman, however, claims the stock was voted and that the Federal Reserve has ratified the merger. The injunction suit was quashed immediately so that the Federal Reserve on March 22 voted to approve the merger. This marks a final separation between these two men. The annual meeting of the Fire Insurance Company of Chicago was scheduled for March 28, but has been postponed until April 25.

BLOCK PROCEEDINGS AT TOPEKA

TOPEKA, March 31.—The merger of the Bank Savings Life of Topeka with the Federal Reserve Life of Kansas City, Kan., has been further blocked by an order of the district court of Shawnee county. The court granted an order last week restraining E. C. Lupton voting certain stocks. This case was dismissed and Harry Colmery, Topeka lawyer, was named as trustee. Then a further suit was brought late Monday seeking an injunction order to prevent the merger.

The vote of the stockholders of the Bank Savings was to be taken Tuesday but the court proceeding tied that up and then a temporary restraining order was granted prohibiting a vote being taken on the merger until after April 5. The court agreed to a hearing April 4 to determine whether or not a permanent order against the merger should be issued.

The suits were brought by the National Bank of Topeka, one of the bankers for the Bank Savings Life. It was announced by the attorneys for the bank that the purpose of the litigation was solely to safeguard some heavy obligations which the bank held and for which the stock of the Bank Savings had been deposited as collateral. It was indicated that when the facts were developed as to the value of the new stock as the result of the merger that further litigation might be ended.

Appointment of F. M. Phillips of Lebanon, Tenn., as a field superintendent in that state, is announced by the Lamar Life. He has long field experience and has been a field supervisor for the Inter-Southern.

Intelligence Test Shows Insurance Leaders Unknown

Life insurance, third in importance and financial status to banking and the railroads, is one of the least publicized businesses in the world, Freeman Alford, publicity director North American Life of Chicago, has contended for a long time. He put the theory to a test informally in his home a few nights ago when a few intimates gathered for bridge.

There were present a construction engineer, radio announcer, doctor, lawyer and architect. Mr. Alford quickly drafted a list of 18 notables and started his intelligence test by demanding that the men be identified.

Two leaders in life insurance, F. H. Ecker, president Metropolitan, and Dr. S. S. Huebner, famous educator of the University of Pennsylvania, were listed.

The guests quickly identified Babe Ruth, Jack Dempsey, Melvin L. Traynor, Charles G. Dawes, Charles M. Schwab, James H. Farrell, Harry F. Sinclair, John D. Rockefeller, Al Capone, Arnold Rothstein, Clark Gable, Gloria Swanson, William E. Borah, John N. Garner, Charles A. Lindbergh and Henry Ford. Only one, the radio man, missed on Mr. Farrell. The doctor guessed wrong on Rothstein. The architect thought Mr. Garner was a senator.

Makes Farfetched Mistake

But the engineer identified Mr. Ecker as commander of the "Graf Zeppelin," the radio man begged the question, the doctor (probably because he was a life company examiner) gave the correct answer; the lawyer and architect did not know.

The engineer vaguely identified Dr. Huebner as a "lecturer," the radio man passed, the doctor again guessed right, the lawyer thought Dr. Huebner was an Arctic explorer and the architect that he was the inventor of insulin.

Analyzing results, it appears this representative gathering of five well-read, intelligent, educated men averaged over 90 percent correct on the general list, excluding the names of the insurance men, and, allowing the engineer's hazy answer as correct, only 30 percent on the insurance men. It is significant also that only the presence of a physician, who would be expected to be more familiar with life insurance, made that record possible.

Mr. Alford points out that two leaders in one of the greatest businesses in the world, one the head of the largest life company in the world, thus appear to be practically unknown to the public, and that the reason is lack of publicity. He believes a business which depends so much on public good will and faith should be better advertised. He puts it this way:

"Wanted—A press agent for the biggest business on earth, the life insurance business. Strongest single financial unit—more people (67,000,000) interested than in any other business.

"It remains the least known of any—that is the personalities of the business are practically unknown to the rank and file of newspaper and magazine readers," Mr. Alford comments. "Why? Because newspapers and magazines, outside the profession, exhibit little interest in the personalities or affairs of those concerned in life insurance."

Mr. Alford for many years was a daily newspaper man and press agent for theatrical folk, radio stars, dance orchestras, etc.

Manly on the Coast

Frank P. Manly, president Indianapolis Life, is spending a few days in San Francisco, going thence to Los Angeles before returning to his home office.

Why You Should Advertise

«»

ALL of the advertising done by any company should be of a constructive nature. It should be so worded and displayed as to create good will for the company doing the advertising—to make it what is generally referred to as "well and favorably known". Any advertising that does not do this is not accomplishing all that it should. It is not fulfilling its real purpose.

Every company that is honestly and competently managed and which is trying to render a conscientious service to agents and policyholders should not be indifferent to the standing that it has among those who are producing most of the insurance premiums in this country. It should be well regarded by the active, successful producers of business. Through its advertising it should establish for itself the right kind of a reputation and standing among the insurance fraternity as a whole.

This does not mean that its advertising should ever take the form of making direct, active and aggressive bids for the agents of other companies. In fact, it means just the opposite.

Advertise to create good will for your company. Advertise so that your company may be well and favorably known where you want it to be. Advertise to keep your present agents sold and of the opinion that your company is alive and active. Advertise to reach the public—through agents. Agents are the public contact. Advertise to present the views of your company. Advertise to educate agents in business getting—institutional advertising. Advertise for these and dozens of other sound and sensible reasons that we will present here in our advertising discussions every two weeks.

Advertise, but don't advertise destructively. If you do, you will destroy the very things you are really advertising to create—good will for your company.

(Number 17 of a series devoted to the merits of National Underwriter advertising)

«»

The National Underwriter

The leading weekly insurance newspaper

E. J. WOHLGEMUTH
President



C. M. CARTWRIGHT
Managing Editor

NWNL ACCOMPLISHMENTS IN 1931

NWNL closed 1931 with no bond, in its long list of bond holdings, in default as to principal or interest.

The market value of its bond holdings (determined as prescribed by the National Convention of Insurance Commissioners) was nearly 1/2 Million Dollars greater than the amortized book value at which they were carried in the Company's statement for December 31, 1931.

It enjoyed the largest income (over 12 1/2 Million Dollars) of any year in its history.

Its interest income exceeded its death and disability claim payments.

Payments to living policyholders during the year (over 4 1/2 Million Dollars) exceeded by 2 3/4 Million Dollars the payments to beneficiaries of deceased policyholders.

Its payments to policyholders and beneficiaries (6 1/2 Million Dollars) were the largest in any single year in its history.

Its cash funds available for new investment during the year exceeded the cash disbursements by more than 7 3/4 Million Dollars. Of these funds, over 2 1/2 Million Dollars was loaned to policyholders, on the sole security of their policies and without delay.

In addition to policy loans, it made other new investments in high grade securities of approximately 5 Million Dollars. Exclusive of policy loans, total cash funds available for investment during the year were equal to 42% of the cash receipts.

At a time when interest rates paid by banks were declining, the Company substantially decreased its bank balance, without materially affecting the liquidity of its assets, by investing approximately 1 1/2 Million Dollars in U. S. Government Bonds.

The Company increased its assets during the year by \$3,900,000.

It increased its reserve funds by over \$3,800,000.

It decreased its management expenses and increased its surplus, both substantially.

It increased (by approximately 10 Million Dollars) its total paid-for insurance in force, and closed the year with over 360 Million Dollars insurance outstanding.



NORTHWESTERN NATIONAL LIFE INSURANCE COMPANY

O. J. ARNOLD, PRESIDENT

STRONG ~ Minneapolis, Minn. ~ LIBERAL

AS SEEN FROM NEW YORK

By R. B. MITCHELL

SEC. 55A NOT RETROACTIVE

Section 55A of the New York insurance law providing that life policies not payable to the insured are exempt from the claims of the insured's creditors is not retroactive and there is no exemption as to the creditors whose claims arose before March 31, 1927, the date Sec. 55A took effect. This was the decision of the United States district court for the southern district of New York in matter of Firestone.

BROOKLYN NATIONAL APPOINTMENT

P. H. Gould has been appointed associate general agent in New York City for the Brooklyn National Life, located at 730 Fifth avenue. He is responsible to L. E. Beardslee, general agent at 123 William street.

Mr. Gould was connected with the Brooklyn National in 1926 and 1927. Since then he has had experience with several other companies. He has also been in the general insurance business.

STARTS SERIES OF FORUMS

The Riehle agency of the Equitable Life of New York has inaugurated a series of forums for especially selected members of the agency on the subjects of wills, trusts, estates and taxes, so condensed as to include only items of practical interest to life underwriters. The course is conducted by A. R. Allen of Philadelphia, formerly instructor in the New York University life insurance training course and now general agent of the Union Central Life. The course is hooked up with the formation of a new corporation, Riehle Associates, a research organization. It is also planned to launch a specially prepared direct-by-mail advertising campaign.

LEGG CASE TO COME UP

The "Legg case," in which C. A. Legg of New York is charged with

violation of the twisting statute, will probably come up for argument before the court of appeals in Albany about the middle of this month. Decision is not expected until May or possibly June.

C. A. Legg, an insurance "auditor" not licensed by the New York department, was charged with persuading a policyholder to surrender his insurance for its cash value and take new insurance. Convicted and sentenced to serve 60 days in the workhouse, he was released on appeal. The appellate division held that while the case was subject to the twisting statute, which Legg had denied, the alleged misrepresentations were not material, and reversed the conviction, 3 to 2. The state carried the case to the court of appeals, the final authority in New York.

CLAYTON ASSISTANT MANAGER

J. M. Clayton has been appointed assistant manager of the R. M. Simons Agency of the Home Life of New York in New York City. He will have charge of the brokerage and surplus department. He has had a wide life insurance experience. R. B. Skillings, who has been associated with Mr. Simons for a number of years, will continue as assistant manager in charge of the full time organization.

TRAVELERS MEN AT BREAKFAST

More than 1,000 agents and members of the managerial force of the Travelers gathered at a breakfast in New York City Thursday morning to launch a drive in celebration of its 68th anniversary. Home office guests included Vice-president J. L. Howard of the life department, Vice-president H. H. Armstrong of the agency department, and Dr. William Bailey, economist, all of whom addressed the meeting.

Four Important Monographs From the Metropolitan Life

The Metropolitan Life has gotten out four monographs on social insurance. The company through its research department is analyzing the various voluntary and compulsory social insurance systems in this country and abroad, including unemployment insurance, sickness and invalidity insurance and old age pensions. For 20 years it has been accumulating data on these types of cover in its endeavor to study the systems in other nations as well as the United States have devised in the efforts to provide economic security for workers against these major hazards. The four monographs published by the Metropolitan Life are: "Unemployment Insurance," "Old Age Dependency," "Health Insurance," and "Social Insurance Legislation."

Ontario Tax Bill Advanced

TORONTO, March 31.—A bill has been advanced by the Ontario legislature, which would increase the tax on premium income of life companies from 1 1/4 percent to 1 3/4 percent; on fire companies from 1 percent to 1 3/4 percent, and on all other insurance companies from 1 percent to 2 percent.

State Mutual Men on Coast

D. G. Mix, manager conservation department State Mutual Life, and Dr. H. H. Amiral, assistant medical director are on a trip to the western and Pacific Coast agencies. Mr. Mix spoke on conservation at the meeting of the Life Managers Club of Los Angeles, at which both he and Dr. Amiral were guests.

Dates Are Announced for Convention of Prudential

The Prudential will hold its national conference of field representatives April 11-14, concluding with the annual banquet at the Hotel Commodore, New York City, April 14. The general meetings will be held at the home office in Newark but a number of the sectional meetings will be held in New York.

Delegates will include district superintendents and ordinary managers, also outstanding assistant superintendents and assistant managers, special agents, brokers and industrial agents who have been included because of their good records. More than 1,000 will be at the meetings while 1,200 are expected at the banquet. President E. D. Duffield will be toastmaster, and there will be a distinguished group of speakers, to be announced later.

Great Republic Appointments

The Great Republic Life of Los Angeles announces the following appointments of men formerly in the agency organization of the Sun Life of Oklahoma, the business of which was recently reinsured by the Great Republic:

C. O. Gilham, agency supervisor at Oklahoma City, formerly Oklahoma City manager of the National Life U. S. A.; J. T. McKenzie, agency supervisor at Oklahoma City, for a number of years Oklahoma state manager of the Missouri State Life; C. D. Rowen, Cheyenne, Okla., special representative, formerly a \$500,000 annual producer for the National Life U. S. A.

A. M. Plumb, for several years one of the high ranking producers for the A. M. Embury Agency, Equitable of New York in Kansas City, died last week at the age of 59.

ORIGINATORS OF THE FAMILY INCOME POLICY



He's in Europe... now

AND he's able to be there because he has gained financial independence through the unusual (as far as most contracts go) but regular contract he has with this company. He's 60 years of age and he's enjoying now the real fruits of his labor instead of facing the questionable financial worries that advanced years generally bring.

The contract that the Continental American offers its representatives is as distinctive and outstanding as the life insurance products it sells. Learn the full details of this exceptional contract that assures financial independence, in addition to the usual compensation, by sending for this booklet.

A limited number of openings for men of character and ability in Massachusetts, New Jersey, Pennsylvania, Delaware, Maryland, District of Columbia, Virginia, West Virginia, and Ohio. Address your communication to George A. Martin, Vice-president.

CONTINENTAL AMERICAN LIFE INSURANCE CO.

WILMINGTON

DELAWARE



SILVER ANNIVERSARY
YEAR



for

Men Aiming High

in the

life insurance business

—toward financial, organizing
and executive achievement



Address
The Agency Department

THE MIDLAND MUTUAL LIFE INSURANCE CO.

Columbus, Ohio

"Its Performances Exceed Its Promises"



Haley Fiske's 1911 Prediction

The almost uncanny foresight of the late Haley Fiske, president of the Metropolitan, in predicting almost a quarter century ago the main features of the present business depression, is seen in an anecdote which has just come to light after being buried for 21 years in the memories of another illustrious insurance man.

J. A. O. Preus, former Minnesota commissioner, now vice-president of W. A. Alexander & Co., Chicago agency, told the story as toastmaster at the annual meeting of the Illinois Insurance Federation in Chicago. It is of particular interest now because of the depression, widespread bank failures, the poverty-stricken condition of agriculture and the persistent questioning in some quarters of the mortality margin on the American Experience basis.

Narrow Vision Existed

Twenty-one years ago, even as now, there were life insurance men who could not see that safety was the prime requisite in life insurance, and that it was better to err on that side than to shave costs to the bone on a par with general business.

Mr. Preus, in 1911, in his first term as Minnesota commissioner, gave an address in New York City before the National Convention of Insurance Commissioners in which he criticized use of the American Experience table, insisting it showed an excessive death rate over true American experience, and that companies in basing rates on this old table were charging entirely too much for their insurance. He stated that the figures in the table could be reduced and yet companies could operate at a profit.

Fiske Promised a "Spanking"

The next day Mr. Preus received a note from Mr. Fiske, stating that he was due for a "spanking," and Mr. Fiske would call for the purpose, or Mr. Preus could come to Mr. Fiske's office. Mr. Preus sent word he would deem it an honor to be "spanked" by Mr. Fiske and would go to the latter's office for the purpose.

At the appointed hour Mr. Preus presented himself there. The secretary inquired his name. "Just tell Mr. Fiske it is a young man who has come to get his spanking," Mr. Preus responded, and very shortly he was admitted.

"Young man," the great life executive opened, "what you said may be true. But it is a dangerous thought to spread, nevertheless. Safety is the most important element in the life insurance contract. Safety requires liberal operating margins."

Discussed Previous Panics

Mr. Fiske briefly touched on the great panics of 1873 and 1894, and the fact that the depression comes in cycles.

"There will come a day," he continued, "when you will see hundreds, possibly thousands, of banks go out of existence. Industry will be prostrate. Agriculture will have a hard struggle. The farmers of this country barely will be able to exist."

"It may not come in my day, but it will in yours. Then you will find that the only things of sure value in this country will be certain savings banks, such as in New York State, Massachusetts, Minnesota and some other states—and life insurance."

Emphasized Cash Value

He amplified the theme, explaining the almost priceless nature of the cash value made possible through the legal reserve plan, and showing that it constituted an emergency fund, always worth par, which might some day play a great part in saving the nation from economic chaos.

Mr. Preus as a boy in Chicago had suffered from the effects of the 1894 panic. He remembered the continuous milk and bread diets upon which his family had lived, the many down-and-out strangers that his parents out of the goodness of their hearts had fed.

Impressed by Interview

Mr. Fiske's prophecy made a great impression on him. He left the great man's office properly chastened in spirit and convinced that out of his inexperience he had been trifling with "dynamite."

It is significant that Mr. Fiske's remarkable prophecy has come to pass in every particular, and that the public has turned to life insurance because of its great safety factors, and in spite of the general knowledge now that the American Experience table overestimates mortality and companies make a material saving of the expected on this item alone.

Travelers Launches 68 Day Life Campaign in Chicago

More than 450 agents, brokers and their wives were guests of the Travelers in Chicago Thursday morning at breakfast when plans for a 68 day life insurance campaign were announced. The undertaking is known as the "Trail Blazers" drive and is being conducted for 68 days in view of the fact that the Travelers is now in its 68th year. It is a nation-wide campaign and the Chicago branch under Manager Edward Dudley is rising enthusiastically to the occasion.

More Than 120,000 Prospects

More than 120,000 prospect cards have been prepared at Chicago. All of the policyholders of the Travelers in Cook county, fire, casualty, automobile, etc., are listed. Each Travelers representative will have 25 prospect cards each week.

As the campaign progresses, additional prospects will be listed. Inasmuch as many of the Travelers agents and brokers are multiple line men, it is pointed out that they will develop much automobile and other business incidentally, although the drive is exclusively life.

Percy V. Baldwin, assistant secretary of the Travelers at the home office, was on hand for the Chicago breakfast.

Harry Paulbach Appointed Acting Los Angeles Manager

Harry Paulbach has been appointed acting manager of the southern California agency at Los Angeles of the Northern Life of Seattle. He has been assistant manager there since June, 1931.

He started with the company as a member of its Los Angeles agency in 1925. In 1927 he was appointed agency manager at Fresno and in 1930 he was transferred to the home office at Seattle, where he remained until he was made assistant manager.

Captain Butler Dies

Capt. J. S. Butler, 12 years a district manager of the Lamar Life, died of apoplexy at his home in Yazoo City, Miss., March 23. He was 54 years old. He volunteered for the Spanish American war, became a regular army captain and was awarded a silver star by the War Department for his participation in the capture of Aguinaldo during the Filipino insurrection. Captain Butler in addition to having five policies on his own life, had contracts in force on his wife and eleven children at the time of his death. Six of the policies on the children carried waiver of premium on his death.

Change in W. Va. Laws to Aid Mortgagees Agitated

INSURANCE IS INTERESTED

Home Financing Is Declared to Be Retarded Because of Creditors' and Bankruptcy Suits

Agitation is being started to change the West Virginia laws so that first mortgage investments may be more attractive to life insurance companies and banks.

The most serious hazard to the mortgagee, according to the proponents of change, and one which cannot be guarded against under existing laws, is that of creditors and bankruptcy suits.

If the first mortgage investor would be permitted to sell the property when the mortgagor defaults, usually he would realize more than sufficient to cover the first mortgage and leave a balance for other creditors, according to advocates of amendment.

Usual Process Outlined

That circumstance would be very unlikely if the sale was held up and the extra cost permitted to pile up. The usual process under the present laws is that at about the time a foreclosure is started, the debtor will file a petition in bankruptcy, or some party holding a small judgment will file a creditor's suit. The mortgagee is then enjoined from selling the real estate, losing the only opportunity he may have of securing a fair price. This subjects the mortgagee to a large additional cost.

Under a creditor's suit the mortgagee is never permitted to foreclose under the deed of trust. He must wait until the adjudication of all liens. Then the property is sold by special commissioners appointed by the court, who receive 3 percent of the sale price over and above the regular fee that the trustee would receive under the deed of trust. The creditor's suit will invariably be drawn out for never less than three months and usually from one to three years.

Interest Accumulates

In the meantime the interest accumulates, taxes and insurance on the property must be paid and there is no one except the first mortgagee to pay them. During this time if the property is rented, the income does not go to the first mortgagee, nor is it used to pay the taxes, fire insurance or upkeep.

When the first mortgagee buys the property at sale to protect his loan, he pays the cost and fees that are necessary before he can secure title.

Creditors in bankruptcy suits clutter up the courts with cases that mean a loss to the first mortgagee, depreciation of property, unnecessary fees and create a situation whereunder home owning citizens are unable to borrow a favorable amount of money at the legal rate of interest.

Amendment Is Suggested

An amendment is suggested to provide that the first mortgagee shall be permitted, in case of default under the deed of trust, to proceed with the foreclosure according to the terms of the deed of trust, without interference of the courts in event there has been a creditor's suit filed or in case of bankruptcy, unless the persons, firms, corporations or the trustee in bankruptcy shall within 30 days after the filing of the creditor's suit or the appointment of the trustee in bankruptcy, furnish bond, the security to be approved by the first mortgagee, to guarantee the payment in full of the first mortgage to the first mortgagee. This bond shall include the principal, interest, taxes, insurance and any court costs that may be awarded against the mortgagee. In event of the failure of the parties who furnish bond

Test Radio Solicitation By Non-Admitted Company

STATION, MANAGER INDICTED

New York Takes Action Against Sale by Air of Union Mutual Life, Iowa, Policies

The International Broadcasting Corporation of New York City and its manager, John Iraci, have been indicted in New York for violation of section 50 of the New York insurance law prohibiting foreign companies from doing business in New York without a certificate of authority from the New York department. The case is being heard for pleading this week before Judge Allen in the court of general sessions.

Action was originally started at the instance of J. L. Wood of the New York department who heard a solicitation in behalf of the Union Mutual Life of Des Moines over station WOV, which is operated by the International Broadcasting Corporation. He brought action before the late Magistrate Edward Weil, but Weil dismissed the suit on October 16, 1931.

Test Case Desired

The attorney-general, however, desired to make a test of the case and the district attorney pursued the suit. The agreement between the Union Mutual Life and station WOV provided that WOV was to give the Union Mutual 33 five-minute broadcasts, two each week, and was to receive one-third of the premiums taken by the Union Mutual during the first year no matter whether they were paid to the company's own office or to the radio company.

Section 50 of the insurance law provides that the penalty for violation shall be a fine of \$500 for the first offense and \$100 for each subsequent month in which the offense continues. Section 53 under which action may also be taken makes it a misdemeanor to violate any of the sections and under that clause the general manager of the station might be sentenced to prison for not more than three years.

Kidd Seeks More Harmony Among Insurance Interests

INDIANAPOLIS, March 31.—The definite policy of the Indiana department under Commissioner Kidd is to bring the companies, agents and assureds into a closer relation. Commissioner Kidd is using his influence to smooth out misunderstandings that arise through the contacts of these three different parties and is meeting with considerable success. He always endeavors to point out that the only way in which fair treatment can be accorded to all is that none be permitted to enjoy special privileges or advantages. As insurance is a business of averages, advantages permitted to one must be made up at the expense of another.

Just now he is using his influence especially to discourage demands for policy loans or cash value surrender on the part of life insurance policyholders. He points out that those who do not really need urgently the money available from this source should refrain from demanding it, as by so doing they are placing an additional and unnecessary burden on the companies and that both companies and policyholders are injured thereby.

and the property is sold by the trustee under the deed of trust, any amount over and above the first mortgage shall be paid by the trustee conducting the sale into court or to the trustee in bankruptcy, as the case may be.

New York Life's Radio Programs

"Great Personalities" by Frazier Hunt

April 5:

A Story about Roy W. Howard, newspaper man. He began his career as a reporter on an Indiana daily and is now chief executive of a great "chain" of daily newspapers. His story, of interest to all newspaper readers, portrays the influence of the Press in our national life.

The agents of all companies are invited to tune in on our programs every Tuesday evening on any of the following stations:

| | | |
|-------------------|---------------------|--------|
| 9:30 Eastern Time | New York | (WJZ) |
| " | Boston | (WBZ) |
| " | Springfield | (WBZA) |
| " | Baltimore | (WBAL) |
| " | Richmond | (WRVA) |
| " | Jacksonville | (WJAX) |
| " | Rochester | (WHAM) |
| " | Cleveland | (WGAR) |
| " | Pittsburgh | (KDKA) |
| " | Detroit | (WJR) |
| " | Cincinnati | (WLW) |
| 8:30 Central Time | Chicago | (WENR) |
| " | St. Louis | (KWK) |
| " | Kansas City | (WREN) |
| " | Council Bluffs, Ia. | (KOIL) |
| " | Cedar Rapids, Ia. | (KWCR) |



HOME OFFICE BUILDING

NEW YORK LIFE INSURANCE COMPANY

51 MADISON AVENUE
NEW YORK, N. Y.

NEW and ATTRACTIVE

If you want to work for someone else, this will not interest you

BUT

If you want to reap the full profits of your own efforts, you will be interested in our new **EQUAL RIGHTS CONTRACT**

BANKERS NATIONAL LIFE INSURANCE COMPANY

Bankers National Life Building
Jersey City, N. J.

RALPH R. LOUNSBURY, President
WM. J. SIEGER, Superintendent of Agencies

Reconstruction Body Loans to 13 Insurance Companies

REPORT IS MADE BY HOOVER

Loans to Insurers Total \$5,765,000—
Table Shows Activities of R. F. C.
So Far

A total of 13 insurance companies have received loans from the Reconstruction Finance Corporation totalling \$5,765,000, according to an announcement by President Hoover. The announcement does not divide the companies as between fire, casualty and life. The total loans of the Reconstruction Finance Corporation so far amount to \$235,000,000. The following table classifies the loans:

| | No. of Institutions | Loans Authorized | Average per Institution |
|----------------------------|---------------------|------------------|-------------------------|
| Banks and trust cos. | 587 | \$126,895,073 | \$ 216,162 |
| Building and loan assns. | 18 | 2,917,000 | 162,055 |
| Insurance Cos. | 13 | 5,765,000 | 443,461 |
| Railroad | 13 | 46,975,557 | 3,613,504 |
| Joint stock and land banks | 2 | 775,000 | 287,500 |
| Mortgage loan cos. | 3 | 1,362,000 | 454,000 |
| Live stock credit assn. | 1 | 292,084 | 292,084 |
| Secretary of Agriculture | .. | 50,000,000 | |
| Total | | \$234,981,714 | |

"The banks and trust companies receiving the loans are located in 45 states," the president declared. "A great majority of the loans are to smaller communities. Less than \$3,500,000 has been authorized in cities over 1,000,000 population; more than \$116,000,000 in towns of under 600,000 population."

Causes of Death Claims From Northwestern Mutual Record

The analysis of causes of death by the Northwestern Mutual Life, taking its claims for the last two years, brings out some important facts. Last year cancer caused 10.57 percent of the entire death claims. In 1930 it was 10.38. Apoplexy and softening of the brain caused 7.55 percent as compared with 6.87 the year before. Organic diseases of the heart caused 12.8 percent last year compared with 14.2 the year before. The percentage of death causes from the circulatory system last year was 28.64 percent as compared with 29.53 the year before. Pneumonia reached the point of 4.46 last year compared with 5.04 the year before. Diseases of the digestive system caused a total of 8.25 percent as compared with 7.88 the year before. The

Interest Rate Payable on 1932 Policy Proceeds

From Unique Manual Digest and Little Gem
(No companies included which pay only guaranteed rates.)

| | % | | % |
|--------------------|------|--------------------|------|
| Abraham Lincoln | 5.0 | Midland Mut. | 4.5 |
| Acacia Mut. | 4.75 | Midwest, Neb. | 4.0 |
| Aetna | 4.8 | Minnesota Mut. | 5.0 |
| Amer. Cent., Ind. | 4.75 | Missouri State | 5.0 |
| American, Mich. | 5.0 | Modern | 4.8 |
| Amicable | 5.0 | Monarch | 4.5 |
| Atlantic, Va. | 5.0 | Montana | 5.0 |
| Bankers, Ia. | 5.0 | Mut. Benefit | 4.7 |
| Bankers, Neb. | 4.0 | Mut. Life, N. Y. | 4.8 |
| Bankers Natl. | 4.75 | Mutual Trust | 4.75 |
| Berkshire | 4.8 | Natl. Fidelity | 4.8 |
| Brooklyn Natl. | 4.8 | Natl. Guardian | 5.0 |
| Bus. Men's Mo. | 5.0 | Natl. Life, Ia. | 4.5 |
| Calif. Western | 5.0 | Natl. Life, Ill. | 4.75 |
| Canada Life | 5.0 | Natl. Life, N. Y. | 4.8 |
| Capitol, Colo. | 5.0 | New England M. | 4.75 |
| Central L., Ia. | 5.0 | New York Life | 4.5 |
| Central L., Ill. | 4.75 | No. Amer. Ill. | 4.5 |
| Central St., Mo. | 5.0 | Northern, Wash. | 5.0 |
| Columbia, Ohio | 4.75 | N. W. Mut. | 4.8 |
| Columbian Natl. | 4.75 | N. W. Natl. | 5.0 |
| Columbus Mut. | 5.0 | Occidental, Cal. | 5.0 |
| Commonwealth | 4.9 | Ohio National | 4.5 |
| Conn. Genl. | 4.5 | Ohio State | 4.75 |
| Conn. Mut. | 4.8 | Old Line, Neb. | 5.0 |
| Cont. Amer., Del. | 4.65 | Old Line, Wis. | 5.0 |
| Cont. Assur., Ill. | 4.5 | Oregon Mut. | 4.8 |
| Continental, Mo. | 5.0 | Pacific Mut. | 4.9 |
| Country Life | 4.25 | Pacific States | 5.0 |
| Detroit Life | 4.5 | Pan-American | 4.5 |
| Equitable, N. Y. | 4.75 | Penn. Mutual | 4.75 |
| Equitable, Ia. | 4.5 | Peoples, Ind. | 5.0 |
| Farm. & Bankers | 5.0 | Peoria Life | 5.0 |
| Federal Reserve | 4.25 | Philadelphia | 4.5 |
| Federal Union | 5.0 | Phoenix Mut. | 4.7 |
| Fidelity Mut. | 4.8 | Pilot Life | 5.0 |
| Franklin | 5.0 | Protective, Ala. | 5.0 |
| Geo. Washington | 4.0 | Provident L. & A. | 4.5 |
| Girard | 4.75 | Provident Mut. | 4.75 |
| Great-West, Can. | 5.0 | Prudential | 4.8 |
| Guaranty, Ia. | 4.25 | Puritan | 4.25 |
| Guardian, N. Y. | 5.0 | Register, Iowa | 5.0 |
| Home L., N. Y. | 4.6 | Reliance Life | 4.75 |
| Indianapolis L. | 5.0 | Royal Un. Life | 4.25 |
| Inter-Southern | 5.0 | Security, Ill. | 5.0 |
| Jefferson Stand. | 5.0 | Secur. Mut., Neb. | 5.0 |
| John Hancock M. | 4.5 | Secur. Mut., N. Y. | 4.5 |
| La Fayette, Ind. | 5.0 | Southwestern | 5.0 |
| Lamar Life | 5.0 | State Life, Ind. | 4.75 |
| Life & C., Tenn. | 5.0 | State Mutual | 4.8 |
| Life Co. of Va. | 4.75 | Sun Life, Canada | 5.0 |
| Lincoln Liberty | 5.0 | Sun Life, Md. | 4.75 |
| Line, Nat., Ind. | 4.5 | Union Central | 4.5 |
| Lincoln Reserve | 5.0 | Union Mutual | 4.25 |
| Manhattan Life | 4.5 | United Fidelity | 4.5 |
| Manufact., Can. | 5.0 | United L. & A. | 4.5 |
| Maryland | 4.5 | U. S. Life | 4.7 |
| Mass. Mutual | 4.5 | Volunteer State | 4.8 |
| Metropolitan | 4.75 | West Coast | 4.75 |
| Michigan Life | 4.5 | Wisconsin Life | 4.8 |
| Midland, Mo. | 4.75 | | |

Rates of interest on dividends left with company: (a) 5%; (b) 4.75%; (c) 4.5%; (d) 4.6%; (e) 4.8%; (f) 3.5%; (g) 4.25%.

Pan-American Life Celebration

NEW ORLEANS, March 31.—The Pan-American Life celebrated its 20th anniversary with a party at the home office on behalf of the employees. C. J. Messman presented a silver plaque to President C. H. Ellis and other senior officers and founders of the company.

suicide rate last year was 5.42 as compared with 4.33 the year before. Casualties last year showed 8.7 as compared with 9.27 the year before.

Definite Program for Railroad Rehabilitation

NEW YORK, March 31.—President J. L. Loomis of the Connecticut Mutual Life, speaking before the Securities Owners Association, outlined a definite program designed to bring back the credit of the railroads. His program included repeal of the recapture provision of the transportation act, prompt furtherance of railroad consolidation plans, regulation of competition, reduction of taxes and the maintaining of a railroad rate plan which would assist the roads in restoring their credit.

Recapture Clause Is Unsound

The recapture clause is fundamentally unsound to begin with, no matter what the political reasons may have been for its inclusion, Mr. Loomis said, declaring that administration or collection under it was impossible and the gov-

ernment and the roads had spent more than \$175,000,000 in valuation proceedings alone.

Immediate progress in consolidation was necessary, he said, in order to build up confidence among investors. He recommended that railroad charters be enlarged to permit them to engage in trucking or else that their competitors should be regulated to put them on an equal basis with the rail lines.

Mr. Loomis said that the original purpose of the waterways, that of keeping railroad tariffs down, is obsolete and their maintenance is merely a burden to taxpayers. There was need of changing the wage scale to make it more flexible, of recognition by security owners of their responsibility and reduction of the railroad tax burden, Mr. Loomis said.

Ratio of Actual to Expected Mortality

From the Unique Manual Digest and Little Gem

| | 1927 | 1928 | 1929 | 1930 | 1931 |
|--------------------|------|-------|-------|------|------|
| Acacia Mut. | 45.6 | 40.2 | 42.3 | 43.6 | 46.6 |
| Aetna Life | 64.4 | 69.5 | 73.7 | 74.2 | 73.2 |
| Amer. Bankers | 55.4 | 55.4 | 64.1 | 58.9 | 58.9 |
| Amer. Cent. | 55.7 | 58.0 | 69.7 | 66.1 | 76.8 |
| Amer. Mich. | 48.1 | 55.1 | 60.5 | 60.1 | 45.7 |
| Amer. Nat. Tex. | 62.2 | 84.1 | 78.0 | 87.1 | 75.7 |
| Amicable | 28.9 | 50.5 | 40.9 | 63.8 | 63.8 |
| Atlantic, Va. | 48.4 | 57.3 | 64.3 | 64.4 | 69.3 |
| Baltimore | 78.4 | 88.6 | 80.6 | 67.2 | 67.2 |
| Bankers, Ia. | 70.3 | 67.6 | 68.5 | 65.0 | 64.1 |
| Bankers, Neb. | 36.3 | 29.4 | 39.2 | 38.8 | 38.8 |
| Bank, Nat., N. J. | 38.5 | 32.0 | 54.3 | 46.2 | 64.4 |
| Bank, Res., Neb. | 49.0 | 38.0 | 48.8 | 46.7 | 54.6 |
| Bank Savings | 38.0 | 37.4 | 41.3 | 44.1 | ... |
| Beneficial Life | 43.4 | 41.2 | 51.7 | 42.6 | 48.8 |
| Berkshire Life | 53.8 | 60.9 | 72.3 | 69.1 | 67.4 |
| Boston Mut. | ... | ... | 77.0 | 67.7 | ... |
| Brooklyn Natl. | 2.47 | 28.6 | 31.8 | 57.2 | 43.6 |
| Bus. Men's Ass. | 25.9 | 34.0 | 39.6 | 39.4 | 48.3 |
| Canada Life | 54.1 | 55.3 | 64.8 | 57.9 | ... |
| Capitol L., Col. | 72.4 | 72.7 | 58.6 | 61.4 | 71.2 |
| Central Life, Ia. | 31.5 | 34.9 | 39.5 | 43.4 | 30.8 |
| Central L., Ill. | 41.1 | 37.0 | 38.1 | 37.1 | 52.2 |
| Central L., Kan. | 44.2 | 39.5 | 32.9 | 41.0 | 48.2 |
| Cent. States, Mo. | 39.5 | 27.7 | 45.0 | 44.4 | 44.5 |
| Chicago Natl. | ... | 58.8 | 73.9 | 38.0 | 46.0 |
| Colonial L., N. J. | ... | 114.8 | 104.9 | 55.8 | ... |
| Columbia, Ohio | 78.3 | 55.7 | 53.2 | 54.0 | 64.3 |
| Columbian Mut. | 51.5 | 53.5 | 54.1 | 58.8 | 79.4 |
| Columbian Natl. | 49.5 | 58.8 | 73.1 | 84.5 | 68.0 |
| Columbus Mut. | 31.5 | 43.0 | 41.2 | 39.5 | 42.4 |
| Commonwealth | 53.0 | 57.9 | 53.5 | 49.5 | 55.8 |
| Conn. General | 49.6 | 54.1 | 62.2 | 71.5 | 67.3 |
| Conn. Mutual | 52.2 | 46.2 | 51.8 | 56.7 | 55.0 |
| Contl. Am., Del. | 29.2 | 48.0 | 47.0 | 46.1 | 54.0 |
| Continental, Ill. | 36.4 | 44.8 | 42.6 | 36.5 | 48.0 |
| Continental, Mo. | 55.1 | 51.4 | 50.8 | 43.7 | 58.0 |
| Detroit Life | 50.9 | 55.3 | 57.5 | 64.0 | 55.4 |
| Eastern Life | ... | ... | 29.1 | 32.1 | 40.4 |
| Equitable, N. Y. | 54.0 | 58.4 | 61.0 | 63.7 | 65.4 |
| Equitable, D. C. | ... | ... | 57.9 | 57.8 | 52.2 |
| Equitable, Ia. | 34.0 | 45.6 | 44.9 | 42.8 | 45.0 |
| Eureka-Mary. | 72.4 | 72.1 | 66.2 | 76.9 | 60.6 |
| Farmers & Bk. | 34.5 | 34.6 | 44.4 | 43.5 | 29.0 |
| Farmers & Tr. | ... | ... | 44.9 | 42.6 | 38.4 |
| Federal Life, Ill. | 44.6 | 54.3 | 49.5 | 64.7 | 60.5 |
| Federal Union | 50.4 | 65.4 | 65.0 | 61.4 | 51.5 |
| Fidelity Mut. | 58.7 | 55.9 | 57.2 | 68.8 | 54.8 |
| Franklin Life | 50.6 | 58.4 | 61.2 | 60.9 | 60.2 |
| Girard Life | ... | ... | 54.6 | 55.8 | 51.0 |
| Great North, Ill. | 46.1 | 66.2 | 53.6 | 53.5 | 57.3 |
| Gr-West, Can. | ... | ... | 39.6 | 41.8 | 38.4 |
| Guaranty, Ia. | ... | ... | 28.5 | 24.0 | 25.0 |
| Guardian, N. Y. | 47.9 | 48.4 | 55.3 | 49.9 | 47.2 |
| Home L., N. Y. | 54.8 | 52.8 | 63.8 | 59.3 | 57.3 |
| Home Life, Pa. | 70.9 | 64.4 | 58.1 | 63.6 | 63.8 |
| Illinois Life | 49.0 | 48.2 | 55.3 | 52.0 | 47.7 |
| Indianapolis L. | 38.6 | 53.2 | 39.2 | 43.0 | 34.3 |
| Inter-South, Ky. | 55.6 | 63.2 | 64.2 | ... | 79.0 |
| Jefferson Stand. | 53.3 | 51.3 | 63.0 | 61.7 | 65.4 |
| John Hancock | 57.0 | 59.0 | 63.4 | 61.4 | 66.2 |
| Kansas City L. | 44.0 | 47.1 | 51.1 | 47.5 | 46.2 |
| Lamar Life | 62.7 | 42.4 | 44.3 | 44.7 | 64.8 |
| L. & C., Tenn. | 51.5 | 60.0 | 66.8 | 64.3 | 71.2 |
| Life of Va. | 65.9 | 68.9 | 67.2 | 70.0 | 63.8 |
| Lincoln Natl. | 58.7 | 52.4 | 60.1 | 60.9 | 67.7 |
| Manhattan | 78.0 | 70.3 | 70.5 | 86.9 | 69.9 |
| Manufact., Can. | 54.0 | 59.3 | 60.1 | 53.0 | 62.4 |
| Maryland Life | ... | ... | 66.1 | 55.2 | ... |
| Mass. Mut. L. | 47.7 | 49.5 | 50.9 | 58.2 | 56.5 |
| Mass. Protect. | ... | ... | 67.5 | 42.9 | 64.6 |
| Metropolitan | 55.6 | 59.0 | 64.1 | 62.8 | 62.4 |
| Michigan Life | ... | ... | 55.2 | 54.5 | ... |
| Midland L., Mo. | 52.6 | 57.0 | 46.9 | 47.4 | 45.9 |
| Midland Mu. O. | 49.5 | 26.6 | 40.2 | 47.0 | 44.2 |
| Midland Natl. | 40.6 | 44.0 | 24.2 | 55.2 | 44.4 |
| Midwest Life | ... | ... | 22.7 | 40.6 | 55.1 |
| Minnesota Mut. | 40.1 | 46.3 | 52.7 | 52.3 | 61.4 |
| Missouri State | 58.5 | 62.5 | 70.2 | 71.8 | 73.0 |
| Monarch Life | ... | ... | 23.8 | 25.4 | 40.5 |
| Montana Life | 55.4 | 33.0 | 38.7 | 44.3 | 42.7 |
| Mutual Benefit | 50.2 | 59.1 | 55.4 | 55.8 | 63.7 |
| Mutual, Md. | 41.8 | 62.7 | 60.8 | 72.6 | 64.2 |
| Mutual, N. Y. | 54.5 | 54.9 | 60.0 | 63.0 | 65.2 |
| Mutual Trust | 42.9 | 46.1 | 47.8 | 42.5 | 44.0 |
| Natl. Guardian | 32.2 | 38.0 | 45.9 | 31.9 | 25.2 |
| Natl. Life & A. | 65.1 | 65.3 | 70.7 | 67.2 | 61.7 |
| National, Vt. | 53.4 | 55.1 | 50.9 | 59.1 | 60.9 |
| National, U.S.A. | 56.7 | 59.1 | 60.9 | 61.4 | 67.7 |
| National, Ia. | ... | ... | 84.1 | 82.7 | 72.8 |
| New England | 49.7 | 52.4 | 55.4 | 54.4 | 60.2 |
| New World | 35.1 | 50.5 | 42.1 | 47.2 | 44.2 |
| New York Life | 52.1 | 57.2 | 57.7 | 59.2 | 62.5 |
| No. Amer., Ill. | 49.6 | 45.4 | 47.2 | 45.5 | 44.2 |
| Northern States | 65.2 | 40.2 | 52.7 | 49.2 | 57.9 |
| Northern, Wash. | 44.2 | 45.1 | 33.9 | 40.9 | 62.3 |
| N. W. Mutual | 48.8 | 56.6 | 56.8 | 57.7 | 63.1 |
| N. W. National | 46.1 | 44.8 | 48.5 | 47.0 | 54.7 |
| Occidental, Cal. | 45.3 | 54.0 | 49.1 | 50.6 | 57.4 |
| Ohio National | 35.8 | 34.4 | 33.7 | 50.9 | 51.9 |
| Ohio State Life | 43.8 | 28.8 | 44.5 | 45.6 | 52.2 |
| Old Line, Wis. | 28.0 | 21.2 | 38.8 | 39.4 | 40.1 |
| Oregon Mutual | 52.5 | 29.3 | 52.1 | 51.4 | 49.1 |
| Pacific Mutual | 45.2 | 53.1 | 54.5 | 42.6 | 59.1 |
| Pan-American | 55.7 | 52.5 | 52.0 | 52.8 | 51.8 |
| Penn Mutual | 56.5 | 58.2 | 65.4 | 64.0 | 68.9 |
| People L., Ind. | 46.4 | 58.9 | 57.7 | 59.9 | 55.4 |
| Peoria Life, Ill. | 43.1 | 59.0 | 50.0 | 52.5 | 49.6 |
| Philadelphia L. | 77.8 | 82.3 | 74.6 | 95.1 | 84.8 |
| Phoenix Mut. | 52.0 | 61.8 | 54.4 | 52.4 | 57.6 |
| Pilot Life | 48.4 | 47.5 | 54.0 | ... | 67.6 |
| Postal National | ... | ... | ... | ... | ... |
| Protective, Ala. | ... | ... | 72.3 | 46.4 | 42.4 |
| Provident Mut. | 42.2 | 47.0 | 54.1 | 57.8 | 54.5 |
| Prudential | 56.2 | 59.0 | 61.8 | 61.1 | 62.5 |
| Putnam Life | ... | ... | 47.3 | 58.8 | 93.4 |
| Register L., Ia. | 39.9 | 34.9 | 47.7 | 38.9 | 24.2 |
| Reliance L., Pa. | 51.9 | 44.9 | 45.2 | 51.2 | 50.1 |
| Reserve Loan | 51.3 | 63.2 | 59.6 | 61.8 | 79.5 |
| Royal Union, Ia. | 41.6 | 50.4 | 52.2 | 54.0 | 52.0 |
| St. Louis Mut. | 85.5 | 41.4 | 65.1 | 49.8 | 61.7 |
| Saratoga Life | 58.0 | 51.6 | 62.6 | 49.4 | 47.5 |
| Secur. Life, Ill. | 60.3 | 46.8 | 44.2 | 53.1 | 54.4 |
| Secur. M., N. Y. | 70.4 | 64.1 | 69.1 | 65.5 | 60.2 |
| Sentinel L., Mo. | ... | ... | 15.2 | 24.1 | 75.8 |
| Shenandoah | 73.8 | 65.3 | 59.1 | 60.4 | 70.9 |
| Southeastern L. | ... | ... | 45.5 | 53.6 | 75.4 |

| | 1927 | 1928 | 1929 | 1930 | 1931 |
|------------------|------|------|------|------|------|
| Southland Life | 35.4 | 49.5 | 52.7 | 59.2 | 64.5 |
| Southwestern | 42.1 | 46.3 | 47.5 | 48.3 | 47.6 |
| Standard, Pa. | ... | ... | ... | 56.8 | 67.0 |
| State Farm | ... | ... | ... | 33.0 | 16.8 |
| State Life, Ind. | 44.9 | 53.8 | 71.1 | 62.8 | 68.1 |
| State Mutual | 42.2 | 53.8 | 53.1 | 54.8 | 57.5 |
| Sun Life, Can. | 61.4 | 56.4 | 59.4 | 57.6 | ... |
| Sun Life, Md. | 27.6 | 42.1 | 44.0 | 56.5 | 40.4 |
| Travelers | 55.0 | 60.0 | 63.4 | 62.3 | 67.7 |
| Union Central | 49.6 | 57.0 | 61.7 | 65.0 | 59.5 |
| Union Labor | ... | ... | 93.4 | 72.7 | 81.9 |
| Union Mutual | 71.0 | 66.1 | 72.1 | 70.1 | 68.2 |
| United L. & A. | 60.9 | 45.6 | 62.0 | 43.0 | 61.4 |
| United States | 66.1 | 77.6 | 32.2 | 49.1 | 89.1 |
| Victory L., Kan. | 35.3 | 24.3 | 31.0 | 31.1 | 34.9 |
| Volunteer State | 53.4 | 49.9 | 67.1 | 69.0 | 74.2 |
| West Coast, Cal. | 53.8 | 48.6 | 45.0 | 58.9 | 53.8 |
| Western & So. | 68.5 | 65.9 | 72.0 | 67.1 | 62.4 |

*Ordinary only.
†Includes Industrial.

Continental Assurance Gains

Writings of the Continental Assurance of Chicago in the first quarter increased 10 percent and business in force more than that percentage, Executive Vice-president G. F. Claypool states. The company this year is concentrating on development and stimulation of old agents, and on bringing them around to working on the basis of the present. A material increase in policy loans has been noted this year and the Continental is making a drive for repayment of loans. Mortality appears to be no higher than last year. Vice-president Claypool said many life insurance men ap-

pear to think the public is looking for a bargain, but in fact people desire absolute soundness above everything else.

Reaches Ten Million Mark

The annual statement of the Ben Hur Life of Crawfordsville, Ind., reveals that it is now a \$10,000,000 institution, assets being \$10,113,255. The surplus shows \$1,430,346. At the close of 1931 it had \$60,000,000 insurance in force.

March is anniversary month and production held up fairly well. The association was launched in 1894.

It is now operating in 32 states. It has been on the legal reserve basis since 1918 and writes all the modern policies.

The association owns an imposing five story office building in Crawfordsville in which the home office is housed. J. C. Snyder is president and E. M. Mason is secretary.

Will Speak at Lamar Convention

F. A. Williams, actuary, will be the feature speaker at the Lamar Life agency convention in Mexico City Aug. 10, according to an announcement by P. K. Lutken, executive vice-president. Mr. Williams, now a consulting actuary in Mexico City, was the first consulting actuary for the Lamar Life. Most of the annual agency convention meetings

will be held aboard the steamship "Atenas" between New Orleans and Vera Cruz. One will be held in Mexico City.

Assistant Managers Named

Two assistant agency managers have been appointed for the Equitable of New York at Chicago. Ned Becker takes charge of the new unit in the Sam Lustgarten agency. He has been an agent under Mr. Lustgarten about eight years and formerly was a comedian on the legitimate stage. J. R. ("Bud") Stewart, former Illinois University football star, becomes assistant of the Nolan agency, April 1. He has been an agent there about two years.

Editor Hanna Will Speak

Editor Phil S. Hanna, Chicago "Journal of Commerce" will be the speaker before the Chicago Insurance Advertising Club next Wednesday noon at the Morrison Hotel.

WANTED—Salesmen in every city to sell nationally advertised quick-selling article to life insurance salesmen. Give qualifications and references. Address **W27**, The National Underwriter.



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"How to really train and supervise 'The Man on the Street' in a way to HELP HIM"—so far as Minnesota Mutual General Agents are concerned.

The

Minnesota Mutual Life Insurance Company

Saint Paul, Minnesota

THE NATIONAL UNDERWRITER

LIFE INSURANCE EDITION

Published every Friday by THE NATIONAL UNDERWRITER COMPANY, Chicago, Cincinnati and New York. EDWARD J. WOHLGEMUTH, President; JOHN F. WOHLGEMUTH, Secretary; HOWARD J. BURRIDGE, Vice-President and General Manager; W. A. SCANLON, GEORGE C. ROEDING and O. E. SCHWARTZ, Associate Managers

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DALLAS OFFICE: 905 Southwestern Life Bldg. Tel. 2-6065; R. J. McGEHEAN, Resident Manager
Entered as Second-class Matter June 9, 1900, at Post Office at Chicago, Ill. Under Act, March 3, 1879

Subscription Price \$3.00 a year; in Canada, \$5.50 a year. Single Copies 15 cents.
In Combination with The National Underwriter Fire and Casualty, \$5.50 a year; Canada \$10.50

Member Audit Bureau of Circulations

Interesting Investment Argument

THAT is a rather interesting theory advanced in favor of common stocks for life insurance investment by the SUN LIFE of Canada to the effect that under certain conditions common stocks might be more stable and secure than bonds or mortgages on the same property. The average investor would say that a first mortgage on a piece of real estate up to 50 percent of its appraised value is virtual ownership up to the face of the mortgage note, with the whole as protection, unless the mortgage is paid in cash, and this is true. But suppose when the mortgage is paid off, it is paid in depreciated currency, what then? Great Britain and Canada have gone off the gold standard and while both the Canadian dollar and the British pound show signs of working back to par suppose they should not do so and go on down farther. Or as these two countries are no doubt sound and will return some day to the gold standard, take the case of Germany and its depreciated money. A life insurance policy, or a mortgage, or a bond, not payable in gold became almost worthless in Germany after the war, while the property on which the mortgages and bonds were based remained and the argument is that direct ownership of these tangible properties would in such a case be worth much more than the mort-

gages on them payable at maturity in cash.

Incidentally, the SUN LIFE itself has gained vastly through Great Britain and Canada having gone off the gold standard. The SUN LIFE has been doing business in the United States to any large extent only for the past five years and the reserves required to maintain its United States business do not exceed \$130,000,000. However, its investments are very largely in United States stocks and other securities which are still on the gold standard. In other words its assets are largely on the gold standard and its liabilities, largely in Canada, England, Australia and many other foreign countries, are on the depreciated standard. This gives it a great advantage in the present situation.

It is said that the SUN LIFE has also another advantage in its position as a world wide company in that it could, if it wished, add greatly to its surplus by changing from its own high standard of reserves to the reserves of the various countries in which it does business. The company probably would not do this unless it came to a case of last resort but its own reserves are actually on a higher basis than the legal reserve bases of most of the countries in which it is entered to do business.

Disability Clause Being Employed

A NUMBER of life agents are using the disability clause to hold business on the books. It will not be possible to get as liberal disability provisions as can be found in policies issued before the new regulations went into effect last year. Policyholders that purchased insurance in the past are greatly favored in the disability provision. A number of companies have discontinued monthly income disability entirely. Others have

increased rates and greatly circumscribed the scope of the class. If therefore a person has a policy with a disability clause that was in vogue prior to the middle of last year he has something worth while. If he lapses a policy he is losing much therefore in the disability end.

"If you watch the outgo, the income will take care of itself."

PERSONAL SIDE OF BUSINESS

H. E. Jackson, 65, agency manager in Des Moines for the United Mutual Life of Indianapolis, died suddenly there this week. He was a Canadian by birth and his first connection was with the Preferred Life of Detroit. When it merged with the Merchants Life of Des Moines, he became assistant sales manager of that company but resigned when it was merged with the Lincoln National Life.

H. W. Shafer, 64, assistant secretary Royal Union Life, died at his home in Des Moines from a heart attack.

Prior to going to Des Moines to join the Royal Union about a year ago, Mr. Shafer was secretary of the Universal Life of St. Louis. He left the latter company shortly after it was merged with the First National Life of St. Louis.

An appreciation dinner-dance was given in honor of **Elbert Storer**, president of the National Association of Life Underwriters, Tuesday evening, by the General Agents Association of Indianapolis. Brief expressions of the esteem in which Mr. Storer is held by his associates were delivered following the banquet and Mr. and Mrs. Storer were presented with a silver candelabra. Commissioner and Mrs. John C. Kidd were special guests. George K. Jones, president of the general agents' association, presided. D. W. Flickinger was chairman of the committee in charge.

George D. Riley, Mississippi commissioner, was elected captain of the host at the convention of Royal Arch Masons at Biloxi.

C. J. Weaver, of Lincoln, general agent of the Monarch Life for Nebraska, died at Rochester, Minn., following an operation. Burial was at his former home at Minneapolis.

D. B. Dillehunt, who has been publicity man for the Ohio State Life and editor of its publication, has resigned. He acted as general agent, agency secretary and field correspondent before taking up publicity and advertising work. He probably will not leave until May.

Frederick Frelinghuysen, Jr., has been admitted to the Newark law firm of Pitney, Hardin & Skinner, of which President John R. Hardin of the Mutual Benefit Life is a member. Mr. Frelinghuysen is the son of the late Frederick Frelinghuysen, at the time of his death president of the Mutual Benefit, and a grandson of Frederick T. Frelinghuysen, former United States Senator, who was Secretary of State in President Arthur's cabinet.

Karl Newhall, actuary group pension division Travelers, has been in San Francisco for the past week in conference with Manager Arthur S. Holman. Mr. Newhall is visiting Los Angeles prior to his return home.

Clarence L. Ayres, president American Life of Detroit and expert on taxes and finances, addressed the Detroit Real Estate Board last week on tax reduction.

W. W. Klingman, vice-president Equitable Life of New York; H. J. Rossman, assistant to Mr. Klingman, and Lloyd W. Klingman, manager salary savings department of the home office, spent several days in Chicago conferring with agency managers.

Dr. C. E. Schilling, vice-president and medical director of the Ohio State Life, was guest of honor at a dinner tendered him by the members of the Marion branch at Marion, O., this week. The affair commemorated Dr. Schilling's birthday and also marked the close of a contest in his honor. Addresses were

delivered by Dr. Schilling, President U. S. Brandt, Manager E. G. Siefert of the Marion agency and others.

Fred M. Dickerman, Indianapolis life underwriter, has announced his candidacy for Congressman on the Republican ticket. He was a state senator in 1925 and 1927. He has been president of the Indiana Association of Life Underwriters and the Indianapolis Association of Life Underwriters.

Last week **Herbert O. Edgerton**, president Boston Mutual Life, celebrated his 70th birthday and his 22nd anniversary as head of the company. A luncheon was held in his honor by Boston Mutual officers and directors. President Walton L. Crocker, John Hancock Mutual Life, and President George W. Smith, New England Mutual, were guests. Damon E. Hall, general counsel, president and Secretary Edward C. Mansfield presented President Edgerton with a handsome silver vase and flowers.

C. N. Willhoite, 56, field representative Columbian Mutual Life of Memphis, dropped dead at Philadelphia, Miss., last week. Heart attack was given by physicians as the cause of his death. Mr. Willhoite was a brother-in-law of President Lloyd T. Binford.

Charles T. Clayton, supervisor of agencies Liberty National Life, Birmingham, Ala., and Miss Betty Hudson of that city were married last week.

Charles S. Day, Pittsburgh, Eureka-Maryland northern division manager, died suddenly last week. James A. Maginnis, field auditor, will have charge of the division until a successor is appointed. The funeral was attended by Joshua N. Warfield, president; Thomas J. Mohan, field director, and Mr. Maginnis representing the home office.

Mr. Day was 47 years old. His division covered half of the field of the Eureka-Maryland. Mr. Day joined the Eureka Life in York, Pa., in 1916. He was made division manager in 1922. Before going to the Eureka Mr. Day was with the Home Life of Baltimore as field inspector.

Frank L. Bramble, secretary Midland National Life of Watertown, S. D., maintains a home for crippled birds and recently cared for a cock pheasant found in a severe snowstorm. The bird was found to have a leg band indicating that it was one of 200 taken to South Dakota from Poughkeepsie, N. Y. in 1913. It bore no signs of injury or bullet marks and Mr. Bramble expresses the opinion it had "learned to duck."

J. B. Reynolds, president of the Kansas City Life, celebrated his 61st birthday March 22. He was at his office as usual, receiving congratulations. During the day 665 representatives of the company expressed their appreciation for his long and successful leadership by producing approximately \$2,000,000 in paid for business.

The bulk of an estate with an estimated value of more than \$10,000,000 has been left to Miss Matilda L. Pilot of New York, according to the terms of the will of **Robert M. McCurdy**, former general manager of the Mutual Life of New York. Specific bequests in excess of \$1,500,000 were made in the will. Mr. McCurdy died at his home at Morristown, N. J., on March 17, leaving no near relatives.

Miss Pilot is a sister of Andre Pilot, New York broker, with whom she lives, and a cousin of L. A. Thebaud, noted philanthropist, who was a brother-in-law of Mr. McCurdy. She is also a cousin of Peter Stuyvesant Pilot, New York, a direct descendant of Peter Stuyvesant.

LIFE AGENCY CHANGES

George Succeeds Stedman

Change Announced by National Life of Vermont in Its Maryland Agency at Baltimore

Isaac S. George has been appointed Maryland general agent for the National Life of Vermont with headquarters in the Hearst Tower building, Baltimore. He succeeds William P. Stedman, who will now devote most of his attention to personal production. Mr. Stedman is a C. L. U.

Mr. George has been connected with the National Life of Vermont since 1922.

Prudential Announces Some Superintendents Promoted

The Prudential announces that Bidore Shuster, assistant superintendent Brooklyn No. 16, is made superintendent of Brooklyn No. 15, succeeding T. J. McLaughlin, who retired after serving the company 36 years. Mr. Shuster entered the Prudential service as agent at Brooklyn. He was made assistant in Brooklyn No. 10 in 1926, and in 1929 made assistant at No. 16. E. S. Maurer, assistant Milwaukee No. 3, is made superintendent at Omaha No. 2. He started as an agent at Milwaukee No. 2 in 1919 and he was made assistant in Milwaukee No. 3 in 1924.

A. J. Langenstein, assistant of New York No. 16, is made superintendent of New York No. 2, succeeding J. P. Merlehan, who is retiring. He started with the Prudential as agent in 1920 of New York No. 10, was made assistant in 1924 of New York No. 9 and was transferred to New York No. 16 as assistant in August, 1926.

Illinois Bankers Appointments

New general agency appointments are announced by the Illinois Bankers Life at Dallas, Chicago, Des Moines and Cedar Rapids.

Oscar and G. L. Dillehay have been appointed managers at Dallas to succeed M. W. Hulsey, who last year was made agency director at the home office. The Dillehays went to Dallas from Little Rock where they were local agents for fire and casualty. The Illinois Bankers also has general agencies at Fort Worth, San Antonio and Houston.

A. N. Stevenson has been appointed a third general agent for the Illinois Bankers at Chicago. His offices are at 29 South La Salle street.

R. R. Rust is appointed manager at Des Moines with jurisdiction over several counties in central Iowa. J. M. Fouts has been named field supervisor for northwestern Iowa with headquarters in Des Moines. R. T. Voorhees has been appointed for northwestern Iowa with offices in Cedar Rapids.

F. W. Cleary

The New World Life of Seattle has appointed Frank W. Cleary agency manager at Los Angeles, succeeding S. J. Kingon, who remains with the agency as manager of the home loan department. Mr. Cleary for the past two years has been manager of the life department of an insurance brokerage office in San Francisco, and prior to that was a leading personal producer in the Bay district.

W. C. Johnson

The Central States Life of St. Louis has appointed W. C. Johnson general agent at Jonesboro, Ark. He is a native of Arkansas, but for the past nine years has been in the banking business in St. Louis, where he also spent some time selling life insurance.

Moulton Is Unit Manager

Takes Over Direction of New Organization in Pacific Mutual's Branch Office at Chicago

Herbert M. Moulton has been appointed manager of a new unit organized by the Chicago branch of the Pacific Mutual Life, located in room 711 Insurance Exchange. Mr. Moulton announces that he has signed up Ernest ("Pug") Rentner, Northwestern University football star and "All-American" selection. Mr. Moulton started with the Provident Mutual at Chicago in 1926, remaining there four years, the last year as a unit manager. Then he went over with the Samuel Heifetz agency of the Mutual Life of New York, but recently has been connected with the Sam T. Chase agency of the Connecticut Mutual at Chicago. Harper Moulton, a brother, well known in Chicago life insurance, is connected with the unit. Others are: G. H. McCollum, T. H. Stark and O. D. Wolfe.

A. Wager, L. L. Avery

The Great Republic Life has appointed Albert Wager general agent in Los Angeles, with offices in the Pacific National Bank building. Mr. Wager was formerly agency manager at Los Angeles for the Security Life of Chicago, in charge of southern California south of the Tehachapi. Prior to that he was with the Los Angeles agency of the Western States Life.

Leland L. Avery has been appointed general agent for Tulare and Kings counties, Cal., with headquarters at Tulare. He was formerly with the Great Northern Life and the Western States Life in Fresno.

L. B. McCracken, J. C. Dixon

L. B. McCracken, who has been manager at Indianapolis for the Central Life of Iowa, has been made state supervisor for Indiana.

J. C. Dixon has been appointed general agent for the Central Life with offices in the Merchants Bank building in Indianapolis.

W. A. Fosdick

Chapman & Rinker, Dallas, Tex., general agents for the State Life of Indiana, have appointed W. A. Fosdick agency supervisor for the Dallas department. After 17 years in the automobile business, Mr. Fosdick entered life insurance work in Dallas nine years ago. After a year in that city he became agency supervisor for the New York Life in Philadelphia. In 1925 he returned to Dallas as superintendent of agents for another New York company, which connection he has just severed.

Harold A. Maison

The Old Line Life of America, Milwaukee, has appointed Harold A. Maison general agent at Los Angeles. He was a member of the Maison & Collins agency at Milwaukee, prior to his association with the Old Line Life. Carl Van Sickle, also of Milwaukee, will be associated with the agency.

John J. Holmes

John J. Holmes is now general agent in St. Louis for the Minnesota Mutual. H. B. Bossert, former St. Louis general agent, is continuing with the company and will devote his time to educational work under the organized sales plan recently perfected by the company. Prior to taking charge of the St. Louis agency Sept. 1, 1931, Mr. Bossert was agency director for the Bankers Reserve Life at Omaha.

Mr. Holmes has been for eight years general agent for the Minnesota Mutual



Home Office Building

A Complete Life Insurance Service for a Modern Age

We Offer

- Policies all ages, 1 day to 70 years.
- Both Participating and Non-Participating.
- Non-Medical—Sub-standard.
- Disability, Dismemberment and Surgical Benefits.
- Special Monthly Premium Payment Plan.
- Double Indemnity.
- Children's Policies with Beneficiary Insurance.
- NEW FAMILY INCOME PROTECTION POLICY.
- Sales Planning and Circularizing Department.
- Producers' Club.

Available territory in seventeen states West of the Mississippi River and in Illinois and Florida.

WRITE DIRECT TO HOME OFFICE

Central States Life Insurance Company

James A. McVoy, President

HOME OFFICE: SAINT LOUIS

at Great Falls, Mont. He was previously with the Northwestern Mutual Life there.

Life Agency Notes

David E. Hirsch, who was appointed agency manager of the American Central Life at Chicago, is located at 725 Brompton avenue in that city.

W. G. Gastil has been promoted from assistant manager to sales manager of the home office agency of the Pacific Mutual Life.

The Mississippi state agency of the Mutual Life of New York is being moved from Meridian to Jackson, with offices in the Tower building. R. H. Deas is state agency director.

The Occidental Life of Los Angeles has appointed A. R. Grund as general agent

for Arapahoe, Adams, Gilpin and Jefferson counties, Colo. He has had 10 years' life insurance experience.

R. E. Czerar has recently returned to Spokane to open a branch office for the North American Life of Canada in the Paulsen building. He was recently manager at Nelson, B. C.

O. D. Hippler has been appointed general agent for the Detroit Life at Mt. Clemens, Mich. Mr. Hippler is now engaged in organizing an agency. C. L. Ullrich of the High agency has been acting as general agent there.

R. J. Wiese, general agent State Mutual, Chicago, has appointed A. C. Triggs and G. H. Peck district agents in Elgin, Ill., with offices in the Home National Banks building. Mr. Triggs represented the Berkshire in Elgin and Mr. Peck was an agent for the John Hancock in Aurora.

NEWS OF THE COMPANIES

New Officials Are Elected

Union Central Life Announces Treasurer and Four Assistants—New Setup in Financial End

At the directors' meeting of the Union Central Life H. L. Hodell, assistant treasurer since 1925, was made treasurer succeeding R. M. Green, who has resigned to become assistant secretary of the Prudential at Newark. Mr. Hodell has been with the company 33 years and has filled various positions in the financial department. He was born in Lawrenceburg, Ind. In addition four new assistant treasurers were elected: George Pansiera, formerly assistant secretary, now transferred to the financial department; H. H. Ahrens, who has been in the financial department for 32 years, recently as supervisor of collections; W. C. Dunkhorst, who has been with the company 19 years, lately as supervisor of real estate, and his brother,

C. H. Dunkhorst, who has been in the financial department 25 years, lately as chief clerk.

The Union Central is changing the setup of its investment department somewhat and is establishing branch offices in such cities as Cincinnati, Minneapolis, Kansas City, etc. It now has five of these offices and will establish others, thus transferring directly to the field much of the work that has heretofore been done at the home office.

Charles Sawyer, a director and a member of the legal firm of Dinsmore, Shohl & Sawyer, who became general counsel at the last annual meeting, is also chairman of the finance committee and has been giving considerable attention to the investment department. Mr. Sawyer is a prominent attorney of Cincinnati and ran for Congress on the Democratic ticket two years ago.

Pilot Life Figures

The Pilot Life of Greensboro, N. C., in its new annual statement shows as-

sets \$13,624,766, policyholders' surplus \$1,539,284. The Pilot Life's president is Charles W. Gold, former president of the American Life Convention and one of the insurance directors of the United States Chamber of Commerce, who is well known to life insurance executives throughout the country.

"Pig Markets" to Conclude Peoria Life Bacon Contest

"The Bring Home the Bacon" contest, for the past 16 years an annual tradition with the Peoria Life, concluded last week with the "pig market" convention of Illinois agents at the home office. Each \$1,000 of new business is represented by a cardboard pig, and at close of the drive the "pigs" are brought to market.

Separate "pig markets" will be conducted in the next few weeks in the various states in which the company operates. Lynn S. McCoy, agency director, is in charge of the "pig market." Vice-president Walter E. May said the drive was the most successful the company has promoted.

Three Directors Reelected

Three directors of the American Insurance Union, Inc., of Columbus, O., were reelected at the annual meeting of stockholders. They are: Judge C. S. Younger, who is president of the A. I. U.; Miss Mary E. Colborn, secretary of the A. I. U., and Capt. W. R. Baker, who represents the Trans Continental Trust Company of Chicago, which some time ago purchased about 10,000 shares of A. I. U., Inc. The other directors are A. F. Coyle, executive vice-president of the A. I. U., Inc.; Marie W. Vandegrift, P. W. Bernard, Dr. G. W. Hoglan,

W. B. Edwards and C. L. Jordan. The next regular meeting of the board of directors will be April 14 and election of officers will take place then.

The American Union Insurance, Inc., is now licensed in 12 states and applications are pending in other states. The states in which the A. I. U., Inc., is now licensed are Ohio, Illinois, Indiana, West Virginia, Michigan, Texas, Missouri, Nebraska, Arkansas, Oklahoma, Arizona and New Mexico. In two states permission has been granted to transfer old policies in the A. I. U., fraternal, to the A. I. U., Inc., but not to write new business.

Start Parkinson Month

The central and southern departments of the Equitable of New York will start Parkinson month campaigns April 1 in honor of President T. I. Parkinson, who is scheduled to attend an Equitable managers' luncheon in Chicago early in May at the windup of the drive. All agents who write five or more applications in the month will be invited to attend.

Worley Harr Advanced

Worley Harr has been advanced from superintendent of agencies for the Shenandoah Life to assistant manager of agencies. He has been with the Shenandoah Life three years, after having had 13 years' experience with the Jefferson Standard as general agent, manager and supervisor.

Life Company Notes

The Union Mutual Life has purchased nine acres west of Des Moines for construction of an office building.

The Mid-West Life of Oklahoma City, which recently opened offices in the Hightower building, will operate on the stipulated premium plan.

AMONG COMPANY MEN

Changes at San Antonio

New Sales Directors Selected for Great American Life and Continental National Life

Earle V. Shipley, formerly state manager for the Central States Life in Colorado, with headquarters in Denver, later with the Continental National Life and more recently doing special work for the Great American Life of San Antonio, Tex., in Dallas, has been elected vice-president and sales director of that company at the home office in San Antonio.

George V. Shipley, who joined the Great American as vice-president and director of sales in July, 1931, has resigned on account of the pressure of personal business, and will return to the west coast. He went to the San Antonio company from Los Angeles, where he served as southern California manager for the Central States Life of St. Louis.

George Shipley started his insurance career with the old Central National Life of Lincoln, Neb., and became state manager for the Central States when it reinsured that company in 1916. In 1924 he moved to Los Angeles to develop California for the Central States Life. Later he joined the Occidental Life of Los Angeles, serving as a member of the advisory board in the insurance department of the Bank of America until the bank discontinued that department.

W. L. Dugger, who has had a wide business experience but has only recently entered the insurance field, has been elected vice-president and sales director of the Continental National Life of San Antonio, which is under the same management as the Great American.

B. E. Trowbridge a Director

B. E. Trowbridge of the firm of William Trowbridge & Son, Westfield, Pa.,

was elected a director of the Farmers & Traders Life of Syracuse, N. Y., at the annual meeting.

At the same time E. W. Henne, secretary and actuary, was instructed to prepare rates and values for several policy forms; a five year endowment at ages 15 to 60; 30 year endowment, ages 15 to 55; 35 year endowment, ages 15 to 50; a six, seven, eight and nine year endowment at ages 15 only; a 25 pay life, ages 15 to 60; 30 pay life, ages 15 to 55, and 35 pay life at ages 15 to 50.

Geddes Joins Northern Life

G. Wilson Geddes, who has been actuary and assistant general manager of the Ontario Equitable Life & Accident, Waterloo, has been appointed general manager of the Northern Life of London, Ont.

Robinson on Agency Tour

H. L. Robinson, assistant to the president of the Bankers Reserve Life of Omaha, who is making a tour of the company's agencies, was in Texas last week going from there to Los Angeles.

Notes of Company Men

A. C. Paster, home office statistician Great Republic Life, who has been a member of the home office staff since 1915, has resigned.

T. H. White, secretary Great Republic Life, left Los Angeles last week on a short trip to Oklahoma City, where he formerly resided.

Chandler at Memphis

MEMPHIS, TENN., March 31.—Finding the hidden purchasing power of each community is the greatest problem which faces insurance men, in the opinion of H. N. Chandler, secretary Connecticut Mutual Life.

Mr. Chandler and Dr. H. B. Rollins, associate medical director, were here to confer with A. Van Pritchard, agency director, on a tour of the south.

THE PROPERTY HAMMER

Property! Hammer that home! It's not a folded piece of paper, not merely a "service." Life insurance is money *property*, bought on the instalment plan, for future delivery, all unpaid instalments to be canceled immediately at death. *Property*—nothing less.

Bonds, stocks, mortgages, real estate are *property*. And life insurance, in the present period, is the best *property* of them all for the average man, for it is an investment that is supremely safe.

Life insurance *property* has advantages over all other forms,—choice of denomination; flexible income plans; high rate of interest on dividends left to accumulate; payable to the beneficiary immediately and without legal process, quibble, cost, or contest. There is no other *property* a man can buy into whose certificate of ownership are put so many unusual and valuable provisions.

"*Property*" is an appealing life insurance word nowadays, when men so grimly hold on to their cash.

THE PENN MUTUAL LIFE INSURANCE CO.

WM. A. LAW, President

Independence Square

Philadelphia

IN THE SOUTH AND SOUTHWEST

Cancellation Blanks Sent Out

Superintendent Greer Asks Companies to State Reasons for Revoking Agents' Licenses

MONTGOMERY, ALA., March 31.—Superintendent Greer has mailed to home offices of companies doing business in Alabama blank forms for statements of reasons for the cancellation of an agent's license and for informing the department of lost or misplaced licenses.

"There is a comparatively small percent of unworthy agents," said Mr. Greer, "but these unworthy ones give not only the companies they represent trouble and a bad reputation, but also give the policyholders and the department of insurance serious concern. You have tried them, found them unworthy, and cancelled their authority to represent you. Because other companies do not know your experience they request license for these agents. And because the department of insurance has no knowledge of your experience, it promptly issues the license. The result is that such agents continue their malpractice for months and sometimes years, doing untold harm to the good name of the institution of insurance and to the faith the public has in it.

"When the agent's license is cancelled or his authority to act as agent is revoked by the company for malpractice of any kind, give the bureau of insurance the reasons. If the reasons are based upon considerations of integrity or moral turpitude, and if the stating of these reasons might subject the company to litigation, use in lieu of specific language the words 'for cause.' These words shall mean to us that the agent is under suspicion and his right to act as agent for another company is questioned. Then, before we will license him again, we will request the company seeking his appointment to investigate his record with former connections."

Travelers Texas Farm Policy

The Travelers has adopted a new policy regarding Texas farms taken for loans. Instead of selling these properties for the amount of the mortgages the company is improving them and will hold them until economic conditions make the farm prices near their real

value. Farm land prices in Texas now are the lowest in a quarter of a century. The Travelers has 19 men at work improving 40 farms recently taken over in a north Texas county. Houses are being repaired, fences built, land terraced and even the soil improved.

San Antonio Get-together

Insurance men of all classes in San Antonio, Tex., were invited to attend a luncheon of the San Antonio junior chamber of commerce. President Arthur G. Randol introduced the speakers on the various types of insurance sold by the San Antonio Exchange. President J. L. Lawrence of the Southwest Texas Life Underwriters Association introduced the life insurance men. The luncheon was primarily a get-acquainted affair.

Texas Agencies Ahead

R. C. Lowe, southern agency supervisor of the Minnesota Mutual Life, reports that the Texas agencies of the company are approximately 50 percent ahead of 1931 in production.

The Johnson agency, San Antonio; Weems agency, Dallas; Pearson agency, Fort Worth, and the Ralls-Schmidt agency, Houston, are setting a rapid pace, he reports.

Price at San Antonio

During an agency trip through Texas, Julian Price, president, and H. T. Childre, superintendent of agencies, southwestern division of the Jefferson Standard Life, addressed the San Antonio agency. W. P. Fogarty was presented with a loving cup for being the most valuable member of the agency in 1931. President Price awarded A. G. Janszen a 15-year service pin. It was announced that the San Antonio agency will run the picture of the leading monthly producer in a newspaper, providing minimum production is \$40,000.

Industrial Companies Merge

The Southern Life & Accident of Greensboro, N. C., a small industrial life and accident company which was started in 1930, has been reinsured by the Dixie Life of North Carolina, also an industrial company, which was started in 1937.

GENERAL AGENCY NEWS

Destructive Competition Hit

Ralph Wade, Michigan Deputy Commissioner, Addresses General Agents of Continental Assurance

General agents of the Continental Assurance attending a state sales conference at Jackson, Mich., heard Ralph Wade, second deputy insurance commissioner, review the disastrous effects of questioning the financial strength of competitors. Such methods, he said, are always suspected and leave the prospect's faith in insurance as an institution impaired. He urged cooperation of the Continental representatives, not only in refraining from such competitive "hijacking" but in reporting to the department any instances of such practices that may be brought to their attention. He was assured of the support of the Continental organization in Michigan in putting down this evil, which is particularly threatening at this time.

Other speakers were Lester E. Johnson, vice-president of the company; C. L. Conger, state supervisor, and George Comer, Detroit, dean of the company's

general agents, who has been with the organization since its founding.

Mathus in Iowa

K. H. Mathus, editor of publications for the Connecticut Mutual Life, was the guest of the Claude Fisher agency in Des Moines last week and addressed the agents from 66 Iowa counties on "Prospecting" and the "Pre-Approach." He also addressed the Paul C. Otto agency of Davenport.

Newspaper Man, Coach Speak

J. P. Coakley of the editorial staff of the Newark "Evening News," compared successful prospecting and news gathering for a metropolitan daily paper in a talk before the Newark agency of the Sun Life of Canada. Another speaker was Andrew Kerr, head football coach of Colgate University.

Stevenson in Detroit

John A. Stevenson, vice-president of the Penn Mutual, addressed the Lee M. Gillette agency of Detroit at a dinner meeting on "The Present and Fu-

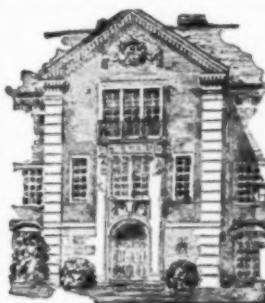
THEY CAME AGAIN

Good-will of clients toward an institution implies their inclination to return for further service. In 1931, as in several previous years, more than half the company's new business (fifty-two per cent) was written on the lives of policyholders—a striking evidence of satisfied membership.

The Mutual Benefit Life Insurance Company

Newark, New Jersey

• • MODERN LIFE INSURANCE SINCE 1845 • •



Here are
the facts...
and figures...

ASSETS

| | |
|---|-----------------|
| First Mortgage Loans..... | \$ 5,672,779.26 |
| Stocks and Bonds and Loans on Stocks and Bonds..... | 1,457,759.25 |
| Policy Loans..... | 4,369,799.91 |
| Cash in Banks..... | 151,257.30 |
| Real Estate Owned by Company..... | 1,193,012.57 |
| Interest Due and Accrued..... | 286,907.72 |
| Premiums Deferred or in Process of Collection..... | 456,923.16 |
| Miscellaneous Assets (net)..... | 36,326.93 |

Total Admitted Assets.....\$13,624,766.10

LIABILITIES

| | |
|--|-----------------|
| Reserve Funds..... | \$11,847,749.00 |
| Policy Claims in Process of Payment..... | 102,573.60 |
| Miscellaneous Liabilities..... | 135,159.89 |

Total.....\$12,085,482.49

| | |
|--|-----------------|
| Surplus Protection to Policyholders..... | \$ 1,539,283.61 |
| Total Liabilities and Surplus Protection to Policyholders..... | \$13,624,766.10 |

From the 1931 Statement of the

PILOT LIFE INSURANCE COMPANY

GREENSBORO, N. C.

ORDINARY LIFE AT BIRTH

FIRST NEW YORK COMPANY
TO ISSUE THESE
MODERN CHILD POLICIES

Ages 0 to 10

ORDINARY LIFE END. 85
TWENTY PAY END. 85

TWENTY YEAR ENDOWMENT

PAYOR BENEFIT INCLUDED

Liberal Commission Contract

JOHN M. HULL,
President

FRANK F. EHLEN,
Director of Agencies

BUFFALO MUTUAL LIFE INSURANCE COMPANY

452 Delaware Avenue

Founded 1872

Buffalo, N. Y.

STRONGER TODAY THAN EVER BEFORE *financially!*

Many years ago The Bankers Reserve Life Company adopted a financial policy based upon the investment of its funds mainly in carefully selected Government, State, County, Municipal and School bonds.

Because of this investment program, The Bankers Reserve Life Company continues in an impregnable financial position regardless of the prolonged business and financial depression.

THE BANKERS RESERVE LIFE COMPANY

OMAHA, NEBRASKA

Walter G. Preston, President
J. R. Farney, Vice President
R. L. Robison, Vice President

R. R. Wagner, Secretary
E. L. Dunn, Treasurer
I. D. Wallington, Mgr. of Agencies

ture of the Life Insurance Industry." Others who spoke were Mr. Gillette, J. P. Gomph, Toledo general agent; E. S. Johnson, Saginaw general agent, and C. A. Macauley of the John Hancock

Mutual, president Associated Life General Agents and Managers of Detroit.

A district meeting of the Equitable Life of New York agents will be held at St. Paul April 8.

NEWS OF LIFE ASSOCIATIONS

Kansas City Sales Congress

Plans Are Made for the Annual Gathering—Notable Speakers Will Give Addresses

The Kansas City, Mo., Life Underwriters Association will hold its annual sales congress for agents in western Missouri and eastern Kansas April 22.

A. R. Jaqua, associate editor Diamond Life Bulletins, will talk on insurance as property; R. B. Hull, National Association of Life Underwriters "The Road Back to Security—The American Plan;" E. S. Albritton, general agent Provident Mutual at Chicago, "Prospecting;" Russell Thierbach, assistant superintendent of agencies Northwestern Mutual, "The Six I's of Successful Life Insurance Selling;" Paul Cook, agency instructor, A. A. Drew agency Mutual Benefit Life at Chicago, "The Seven Creative Ideas in Life Insurance," and W. A. Irwin, Washburn College economist, "1932 Economic Problems."

Ed G. Murra, Massachusetts Mutual, now president of the association, is general chairman of the congress.

Dallas—The Dallas association is in the midst of an extensive drive for new members. A goal has been set by the committee in charge but is being kept secret and will not be announced until the close of the drive at the end of this week.

The thirty key men in the drive assembled March 23 and March 28 the drive commenced.

A cooperative advertising campaign was presented at the meeting, the expense of which is to be borne by the association. The benefits of this campaign will be available to all members of the organization, and it has proved an inducement to membership.

The campaign was worked out by R. M. White, president of the association; J. Max Spangler, secretary, and R. J. McGehean, of The National Underwriter.

At the meeting, the advertising campaign was explained by Mr. McGehean, who instructed the key men in the use of the service and its value to members and prospective members. During the week he is explaining the service to members of the group in the various agencies in the city.

The Dallas association is the largest in the state at present and at the close of the week will be far ahead, it is expected. At the start of the membership drive there were about 200 members and interest is keen as to the membership at the end of the week.

Wichita, Kan.—The Wichita association installed new officers at its meeting Saturday. Wilbur Loveland, Equitable of Iowa, succeeds H. W. Stanley of the same company as president. O. L. Smith, Connecticut Mutual, is vice-president; E. T. Ireland, Penn Mutual, secretary-treasurer. Directors in addition to the officers are: C. K. Dean, Penn Mutual; G. C. Mauss, Massachusetts Mutual; O. L. Hill, National of Vermont; H. J. Bamford, Midwest Life; C. A. Runyan, John Hancock, and H. W. Stanley, Equitable of Iowa.

Orange County, Cal.—At the Orange county association's March meeting at Santa Ana, H. V. Adams, Security-First National Bank of Los Angeles, discussed "More Home Owning or Less?" C. H. Simpson, Long Beach general agent Minnesota Mutual Life, spoke on existing opportunities for increased production in the sale of life insurance.

Indianapolis—In support of the statement that no other monetary system offers such absolute guarantees as life insurance, C. M. Biscay, advertising manager Western & Southern Life, compared the record of savings banks and life insurance in an address before the Indianapolis association. At the close of

Detroit Life Will Pay Agents' Association Dues

Because he believes in the value of the educational work done by the life underwriters' organizations, President John A. Reynolds, Detroit Life, has announced that the company will pay the dues of its agents in their local life underwriters' associations provided the agents agree to attend at least 75 percent of the meetings during the year. Mr. Reynolds feels that the agents will learn much of benefit to them in these meetings and that the investment by the company will be more than repaid by the additional volume of business written by agents who apply the ideas that they gather in this manner.

1931, he said, there were 1,254 savings banks in the country with 14,256,834 depositors who had about \$12,000,000,000 on deposit. At 3 percent interest, there was paid out to these depositors about \$360,000,000.

In 1931, he said, about \$4,000,000,000 was deposited in life insurance premiums and there was paid to living policyholders and beneficiaries more than \$2,500,000,000, which is 62 percent of the premiums deposited in 1931.

Mr. Biscay said the life insurance agent is the missionary of good will in the building up of citizenship.

New York City—President M. A. Linton of the Provident Mutual Life and D. R. Mason, assistant superintendent of agencies of the Aetna Life, will be the speaker at the April 12 dinner meeting of the New York City association. Mr. Linton will speak on "The Investment Return from Life Insurance."

Mr. Mason was formerly a general agent of the Aetna Life in New York City and has a well deserved reputation as a witty after-dinner speaker. His subject is "Floating Power."

Michigan—H. M. Comins, general agent Massachusetts Mutual, Flint, Mich., newly elected president of the Michigan State association, plans to call a meeting of the association in the near future. The association, which was formed in 1929, includes 11 of the 12 local associations in the state. J. Arthur Pino, Lansing, is first vice-president; P. J. Crandall, Jackson, second vice-president, and Les M. Gillette, Penn Mutual, Detroit, secretary-treasurer. At the forthcoming meeting President Comins will appoint educational, better practice and legislative and business relations committees.

Syracuse, N. Y.—Roger B. Hull, managing director National association, addressed the Syracuse association last week.

Oklahoma City—Flavel Wright, St. Louis general agent Northwestern Mutual Life, will speak at the April 9 meeting of the Oklahoma association.

Nashville—The March meeting of the Nashville association was addressed by Col. E. J. McCormack of the Columbia Mutual of Memphis on "Let's Cooperate." Plans were discussed for the state sales congress to be held in Nashville April 29. The committee chairman appointed by F. C. Womack, president of the Tennessee association, are: General chairman, Calvin Baker, Jefferson Standard; publicity, B. B. Horner, Sun Life; program, A. W. Litz, Great Southern; registration, Miss Nellie J. Roche, Massachusetts Mutual; reception, Guilford Dudley, Jr., Life & Casualty; ways and means, E. T. Proctor, Northwestern Mutual; attendance, J. E. Britt, State Mutual; entertainment, W. R. Morrison, Equitable of Iowa.

Elementary Information on Life Insurance Structure

(CONTINUED FROM PAGE 6)

and that the investments must be a type in which the income will be guaranteed and will not in the slightest degree depend upon general business conditions or the earnings of corporations that issue the securities. There is no safer investment, outside of government bonds, than bonds which are secured by first mortgage on ground or ground and equipment. All else may go, but no one can draw a penny from the sale of that ground or ground and equipment until first the bonds have been redeemed. They are a primary, underlying security. Therefore our hypothetical company's money is invested in a few types of such bonds. Bonds, of course, have a named rate of interest, and interest payments on these types of bonds are seldom in default.

Long Time Investments Are Generally Secured

Our policies will be in force 20, 30, 40, 50 years. Therefore, we match those periods with investments whose time of maturity is a long, long way off. We don't buy and sell them with the fall and rise of the market. We're not concerned with profit. We're concerned with the 3 percent which makes our contracts safe and guarantees that \$1,000 of reserve. Securities, such as common stocks, with their varying rates of income, and with the possibility of the income being suspended indefinitely or permanently, would not do for our purpose. Those reserve funds must have each year that addition of 3 percent. Mortgages, of the right type, are first liens on ground. The rate of interest is commonly a good one, somewhat higher than we can obtain from bonds. Further, we shall safeguard our investment in mortgages by requiring that each year part of the indebtedness shall be paid off, the result being that if the valuation of the property for any reason decreases, the amount of the obligation decreases also, and the proportion between obligation and valuation remains the same.

Provision for Policy Loans Is Made in the Policy

From time to time some of our policyholders will want to borrow money from the company. We will give it to them at the fair rate of 6 percent per annum, taking their policies as collateral security, we lending not to exceed the amount of the accumulated reserves on these policies. Policy loans are security that is absolute. So, you see, the investments which cover those reserves are supremely safe, because of the character of our investments and their diversity, and because that 3 percent which we must continuously have our eye on, for reserve accumulation, is covered by guaranteed earnings at a much larger rate. It is the reserve, however, that compelled us to adopt this conservative investment policy and is compelling us to adhere to it. Like everybody else, we'd like to earn 10, 15, 20 percent on our money, but we daren't speculate, and that 3 percent for the reserve is our anchor. That is the great secret of today's life insurance safety.

There are other reasons, fortifying this chief reason, why our financial heads are high while others are bowed and bloody.

Expert Financial Management Needed in Life Company

Expert financial management. A great life company will have almost as extensive an investment department as have many large bond and stock houses. Every day securities are scrutinized, not so much in respect to market quotations of the day before except as they may have a bearing on the trend of values of that type of security, as to be watchful for anything that may affect the individual security itself. Various expert investment services are employed, and no security is able to escape the scrutiny of these services and con-

sequently observation by the life company's investment authorities. At one period, certain types of security may by common consent be dominant or predominant. A few years later that type may have given place to some other form, such as public utilities at the present time. These trends are watched for and noted by the investment department, and its investments are shifted or new ones made accordingly.

Life Companies Enjoy an Income That Is Continuous

Continuous income. A great company has hundreds of thousands of policies outstanding, and day by day a great stream of money flows in in payment of quarterly, semi-annual and annual premiums. We are not dependent on foreign or domestic demand for the health of our business. We daily receive more money than is needed for current use. If there is an inordinate demand for cash, such as now for policy loans, this money, instead of all of it going into the regular types of investment, is diverted in part to policy loan investments. We are not like a manufacturing or a commercial business, in which there must be new transactions all the time or the plant be shut down, for our patrons are continuing patrons, under long-time contracts, and our income from them is constant and in heavy volume. Our difficulty isn't in finding money. In such a time as this it is rather to find the best place to invest it.

Life Insurance Carefully Supervised by the States

Supervision. Perhaps no business in the country is more closely supervised by governmental authorities than is life insurance. Every state in which we do business maintains an insurance department, in charge of a commissioner or superintendent. Every such state has on its statute books laws governing the business of life insurance. These laws prescribe what the minimum interest rate of the policy reserves shall be. They prescribe certain things which must appear for policyholders' protection in every life insurance policy. They prescribe periodic examinations of the business of every company, down to the last penny of detail. In fact, company officials can't turn around in any direction without being confronted by law. It would be next to impossible nowadays for any life insurance company to go so far wrong as to endanger the integrity of any of its outstanding contracts or even remotely to imperil the solvency of the corporation.

Perhaps you have gathered from what has been said that regardless of the present condition of the bond and stock and mortgage markets, and of what may happen in the future, life insurance, because of the peculiarity of its structure and function,—because of the reserve requirements—will continue to be as invincibly sound and as impregnable safe as, in the eyes of the whole nation, it has demonstrated itself to be in the last two financial earthquake years.

Advertising Committees Named

Bert N. Mills, president of the Insurance Advertising Conference, announces the personnel of two committees serving the general organization:

Standards of practice, Henry H. Putnam, John Hancock Life, chairman; L. J. Evans, Register Life; A. H. Reddall, Equitable Life, N. Y.; F. S. Holt, Aetna Fire; E. C. Smith, Western & Southern Indemnity.

Publicity, H. E. Taylor, American Fire, chairman; C. S. S. Miller, North British & Mercantile; Frank Price, Prudential; Stanley Withe, Aetna Casualty & Surety.

"How Safe Is Life Insurance?"

16 page booklet—15 for \$1.

The Insurance R & R Service
INDIANAPOLIS, INDIANA

General Agents and Experienced Supervisors

For men successful in their present work but limited for reasons beyond their control, we have a proposition that will enable the field general and agency builder, general agent, manager or supervisor of ability to express himself to the fullness of his capacity and be compensated accordingly.

The plan we propose to such successful men provides a system of compensation equal to a general agent's gross profits free from the many hazards in agency building.

Six of such men are wanted in our Chicago Agency, a rapidly growing high-class agency in which ten full time agents paid for \$2,000,000 of business last year. The policy of this agency is to build with high grade men only, rapidly, but not at the expense of quality.

The Company is an outstanding, strictly non-participating, low rate company located in the Middle West. It has increased its insurance in force and its assets each year since its organization, having \$225,000,000 in force January 1, 1932. Offers low cost Ordinary Life, Twenty Year Term, Modified Whole Life, Family Income, Juvenile, Annuities, and other standard and special forms. High Commissions, Low Rates.

Write for an interview. Address W1, The National Underwriter.

General Agent Contracts
available for
General Insurance Firms
in
Ohio, Michigan and Indiana

Write for Information

**PHILADELPHIA LIFE
INSURANCE COMPANY**

111 North Broad Street
Philadelphia, Pa.

W. L. MOODY, JR.
President

W. L. MOODY, III
Vice-President

W. J. SHAW
Secretary

SHEARN MOODY
Vice-President

J. B. MILLS
Asst. Vice-President

AMERICAN NATIONAL INSURANCE COMPANY

HOME OFFICE:
GALVESTON, TEXAS

Insurance in Force \$542,054,101.00
Assets \$47,681,787.50
Surplus 7,278,118.59

ORDINARY—INDUSTRIAL

We Have Openings for Live Men in

| | | | | |
|------------|----------|----------------|----------------|---------------|
| California | Kansas | Minnesota | South Carolina | Virginia |
| Colorado | Kentucky | Missouri | Tennessee | West Virginia |
| Georgia | Michigan | North Carolina | Texas | Washington |

Liberal First Year and Renewal Commissions
Up to Date Policies—Non Medical—Special Low Premium Plans

If Interested Address

AMERICAN NATIONAL INSURANCE CO.
GALVESTON, TEXAS

THE MANHATTAN LIFE INSURANCE COMPANY

654 Madison Avenue at 60th Street

New York City

Founded 1850

Thomas E. Lovejoy, President

Over Eighty-One Years of Continuous Service

STRIKE AT DESTRUCTIVE METHOD

(CONTINUED FROM PAGE 3)

would be gained by any agent resorting to them. However, the company in question, feeling the attacks of agents of other companies, and doubtless considering "the best defense to be a strong offense" issued some literature of a competitive nature. The general agent referred to promptly announced that he would release his agents from his injunction to "lay off" the offending company.

"Any Way to Get Business"—Destructive Method

This is what is happening all the time. Most home offices have a rule that they will not issue competitive literature or literature mentioning other companies, but it does not follow that their agents in the field do not get up statements of their own of an objectionable nature. Of course, there would be no objection if every agent would be absolutely fair, but the fact is that every agent in these matters primes himself to present his own company's statement in the most favorable light possible and that of his competitors in the worst. He is out after his commission and is not being paid to do full justice to the other fellow, even if he had the knowledge and ability to do so. The agent of one company is, therefore, the last man to pass upon the financial stability and investment policy of another. "Anything to get the business" is still the slogan of too many agents. The life insurance business should not become a "knockdown and drag out" affair at this time when the chief asset of the business in a time when sales are very hard to make is the enviable position which the business occupies.

Situation on Farm Mortgages

Most of the statements made are in gross exaggeration of the facts. It would be impossible to go into all the various classes of investments held by life companies and undoubtedly there is going to be a small loss in each one of them, but take the most talked of one of all, that of farm mortgages, and present this simple fact:

As of Jan. 1, 1932, if in the final settlement of farm mortgages which have been foreclosed, resold under contract, or in process of foreclosure, according to the absolute figures of about two-thirds of the mortgages held by life companies, there should be a loss of 25 percent of the mortgages in question it would mean a tax of less than one-half of 1 percent on the assets of the companies interested. If there should be an ultimate loss of 50 percent under these questionable mortgages the loss would still be less than 1 percent of the assets of the 14 companies which hold two-thirds of the life insurance farm mortgages.

In the face of the conditions it is a question whether the life companies should not get together and agree upon methods which will prevent the "inter-attack" of agents of various companies which is becoming a menace in the business.

High Court Saves Missouri State

(CONTINUED FROM PAGE 3)

which Caldwell sold about 118,000 shares of Missouri State Life to the Inter-Southern Life of Louisville.

Duggan's petition alleges that the securities sold to the Missouri State were practically worthless. He said the Missouri State had \$1,400,000 on deposit in closed banks at the end of 1930, including \$800,000 in the Bank of Tennessee "which was generally known as a Caldwell bank." He referred to a decrease in surplus during 1930 and the alleged payment of \$45,000 in fees within the past year to one attorney.

Jourdan Makes Statement

Morton Jourdan, general counsel for the Missouri State, said: "The appointment of a receiver upon the application of one, Jerome Duggan, who owns only five shares of stock, having today a market value of the total sum of \$25, for the Missouri State Life, was wholly unauthorized by any fact or condition of the company and was made in a suit which was filed some weeks ago. The appointment was without notice to the Missouri State Life; it had no opportunity to be heard. It has assets aggregating \$155,000,000 and we are told that the petition which was filed, which I have not yet seen, alleges that the company is solvent.

"An application was immediately made, upon the information being telephoned the company, to the supreme court for a writ of prohibition and the chief justice of the supreme court upon the presentation of our petition at Jefferson City, advised the circuit judge who made the appointment and the two receivers appointed by him to take no action, no steps of any character, make no further orders and do nothing in the matter until the petition filed in the supreme court could be heard by that court."

Superintendent Thompson commented on the receivership suit as follows: "The appointment of a temporary receiver for the Missouri State Life was a surprise

to me. Under the laws of Missouri the superintendent of insurance is given exclusive authority to apply for a receivership on insurance companies organized under the laws of Missouri. Had the condition of the company with which I am thoroughly familiar called for the intervention of a receiver I would have taken such action myself."

Suicide Problem Defies Solution

(CONTINUED FROM PAGE 3)

clear-cut suicide during the contestable period of a policy where the sum involved is of any consequence.

Favor Two-Year Clause

What preponderance of opinion there is, however, seems to favor the two-year clause over the one-year, as every year finds more companies with the longer clause.

Most states now permit a two-year clause, Colorado, North Dakota and Utah being the only ones with a specific one-year suicide clause since the recent change in the Virginia law which, while it keeps the one-year incontestable clause, allows contest for suicide up to two years.

Missouri, of course, does not permit a company to deny liability on account of suicide at any time unless it can prove that the assured took the policy in contemplation of killing himself.

Challiss in New Quarters

A. H. Challiss of Seattle, general agent of the Massachusetts Mutual for Washington, will move his office to the Exchange building overlooking Elliott Bay the middle of the month. He needed larger quarters owing to the growth of his activities. There are 10 private offices in addition to one for the women's department in charge of Mrs. Alice M. Clayton. The state organization now consists of 30 full time agents. District offices are located at Yakima, Wenatchee, Spokane, Everett, Tacoma, Puyallup, Centralia, Chehalis and Hoquiam.

AGENCY MANAGEMENT

Use of Multiple Line Agent in Producing Life Insurance Is Now Being More Recognized

There will always be need for the life insurance specialist both in city and rural territory. There are big cases, complicated situations, life insurance programs of a complex nature, problems that require expert treatment. The day of the life insurance specialist is not gone. It must be admitted, however, that in these days when insurance men are not finding it easy to sell business the tendency is for a man to represent all kinds of insurance and handle the entire insurance business of a single customer. In fact some agency supervisors are making the rounds of the regular local agents writing fire and casualty lines and appointing them agents on about the same basis that they represent their other companies.

Procedure That Is Followed

There is no demand made for the opening of a life insurance department. The agency is asked to take on the life company just as it would another fire company. There is no obligation to produce a certain amount of business. The agent merely is licensed and requested to use part of his time and talent to producing life insurance as he goes along. Some companies have appointed four or five such agents in a large city. Agencies writing a general line of business declare that they can just as well write life insurance. This gives them an excuse to go to their policyholders. There is no trick about getting an interview. The agent is in touch with his customers on his other insurance lines. The solicitation for life insurance therefore comes up quite naturally.

Evolution of the Agent

Local agents find that they have developed into solicitors of various lines through a gradual process. They may have started out doing largely a fire business. Then it was seen that casualty insurance is a natural adjunct. The salesman learned enough about casualty insurance to talk intelligently to his policyholders. He may have

learned something of inland marine lines and surety bonds. The life insurance supervisor then tells him that he should become life insurance conscious. The statement is made that he can become the insurance councillor for his people and by having fewer assureds but handling all their lines he can save time and money in his activities. The life insurance supervisor asserts that in 95 percent of the cases the multiple line agent solicits he does not have to know the technique of life insurance. He must know what sort of a policy to suggest and must understand how to fit life insurance to the individual needs of his client.

Production Has Increased

Some companies that have been entering the field in this way and getting in with multiple line local agents find that their production has increased and that the local agent is getting a taste of life insurance. The overhead of the agency is not increased to take care of the business. The agent uses his spare time or odd moments and brings up life insurance in the course of his conversation. His policyholders have confidence in him and realize that when he recommends something in insurance he believes in it. Many agents are able to hold up their premium income during these dull times by pushing out for life insurance in connection with their other lines. The utilization of the multiple line local agent is growing because of the present business situation. It is likely that life companies will see the advantage of making connections of this character where business can be secured without much expense.

Qualification Law Question

The question was asked THE NATIONAL UNDERWRITER whether under the new Illinois qualification laws, a life insurance agent must have a broker's license in order to receive commissions on renewals of accident policies in companies other than his own. H. Walter Hanson, Jr., chief clerk of the Illinois department, who is in charge of licensing activities, states that if a life insurance agent is not licensed to write accident and health policies for the other company, in which he desires to place business, then he must secure an insurance broker's license if he does not come under the solicitor's section of the agent's or broker's qualification law.

Gates Agency Has Notable Guests

The Allen Gates general agency of the Penn Mutual Life, meeting March 28 at Little Rock, Ark., had as guest speakers Gordon H. Campbell, general agent Aetna Life, and H. H. Conley, agency inspector New York Life for the south central district. Harold A. Wood, southern district president of the Penn Mutual Leaders Club, presided.

Roddey Has Two Associates

John Roddey and E. R. Jeter have become associated with W. J. Roddey in the management of the Equitable Life of New York for South Carolina and western North Carolina at Rock Hill, S. C. W. J. Roddey has been manager there since 1888. The office will be known as the W. J. Roddey agency.

TOP-NOTCHERS

Bankers Life Salesmen Who Have Achieved Success Through Consecutive Qualification in Our Highest Honor Organization



W. B. MAHAFFA
ROCKWELL CITY, IOWA
PRESIDENT'S PREMIER CLUB
1927 - 1928 - 1929 - 1930 - 1931

• • •

BANKERS LIFE COMPANY

GERARD S. NOLLEN, President

Established 1879

Des Moines, Iowa

"Agents are extremely fortunate"—

READ this statement made by the judges of the 1931 Insurance Advertising Conference Exhibits, United States and Canada:

"Southland Life's contribution, *'The Little Red Book,'* is an admirable piece of work. It incorporates not only direct mail help, but sales help in almost every phase—to which the advertising department has a connection.

"The judges were impressed with its completeness and usefulness. It was their opinion that 'agents are extremely fortunate who have this kind of home office support.'

"It is with the full measure of recognition that we give this entry an Honorary Citation."

[If you are interested in an agency contract with a company giving every modern aid to agents, write CLARENCE E. LINZ, First Vice President, or COL. W. E. TALBOT, Agency Manager.]

Southland Life Insurance Company

Harry L. Seay, Pres.

Dallas, Texas

\$1,000 to \$1,600

Ordinary Life Insurance at An Average Cost GUARANTEED OF ONLY \$14.00 per \$1,000

Of course issued in larger amounts

ALL PREMIUMS RETURNED

in addition to face of policy in event death before age 60

FULL FACE THEREAFTER AND PREMIUM REDUCED 20%

Original cost, age thirty, \$21.40 per \$1,000 to age 59; \$17.19 per \$1,000 thereafter

Write for Sample and Particulars

This is one of many unique contracts issued by

Federal Union Life
FRANK M. PETERS, President
Cincinnati, Ohio



SOMETHING NEW THAT IS NEW IN LIFE INSURANCE

*A Dollar's worth for every Dollar paid
regardless of kind of policy purchased*

A \$1,000.00 Endowment Policy, any age at issue, guarantees \$1,961.54 plus Dividends in event policy becomes a claim the year it matures.

Our Twenty Payment most remarkable policy of all—too much to write about in this advertisement.

We have Ordinary with and without Cash accumulation. Without cash value it furnishes Pure Protection Life insurance at non-participating rates but on a participating basis—it is estimated dividends will amount to 50% within a few years, based on actual experience past five years.

Juvenile Policies—Ordinary, Twenty Payment and Endowment from birth, with all the fine features of our Adult Policies. Many other forms of Policies equally attractive.

Operating in Illinois, Michigan, Indiana and Missouri

INTERSTATE RESERVE LIFE INSURANCE COMPANY

Rates and reserves computed according to the American Experience Table of Mortality and 4%, accumulated to the Illinois standard of valuation as prescribed for legal reserve life insurance companies.

Ten East Pearson Street : : : Chicago

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ESTATES ANALYSIS

THE AMERICAN LIFE INSURANCE COMPANY maintains an **ESTATES ANALYSIS DEPARTMENT** which provides Agents without cost a complete Analysis of their clients' Estates.

It also draws all necessary documents, including Trusts, Wills, Partnership Agreements, Stock Elimination Agreements, etc.

This is only one feature of the **AMERICAN plan of complete co-operation.**

**AMERICAN LIFE
INSURANCE COMPANY**
DETROIT, MICHIGAN

Rewriting Takes Much Attention

(CONTINUED FROM PAGE 5)

managers to treat the situation frankly. In the past, it is no secret, the honest agency man sometimes had qualms of conscience, but quite often when he came across these emergency cases he permitted the application to go forward with the question whether other insurance was being replaced to be answered "No."

Insofar as outright unscrupulous twisting is concerned, it is probably now far worse than ever before in the history of life insurance. A great many illegitimate cases are bound to get through unobserved in the rush to handle legitimate ones.

Chicago Case an Example

A Chicago general agent reports that a man who carries no insurance with his company called recently, stating he had heard of the good reputation of the life man and wanted an unbiased opinion. Two Chicago life men separately had proposed his dragging down the cash value on his paid-up policy in a large amount—a matter of some \$25,000 cash—and buying new insurance, the premium for which, it was proposed, would be paid for by income from investing the \$25,000. This is the old argument that was knocked on the head in October, 1929.

The general agent quickly showed the futility and stupidity of such action and succeeded in saving the paid-up policy. But there are undoubtedly many such policies, which were the best assets the policyholders had, but which through ignorant or dishonest advice have been abandoned.

How to Calculate Annuity Yield for Ohio Tax Told

The Ohio State Life has instructed its field force on how the income yield of annuities should be calculated in making the individual return of taxable property for 1932 in Ohio. The method of calculation is found in section 5389 of the General Code of Ohio. For tax purposes, the income from an annuity is based on the purchase or cost price of the annuity in the following manner: Take 4 percent of one-half of the cost or purchase price of the annuity as the income figure. The result is the taxable income. To illustrate: a person pays, for an annuity, a single premium of \$10,000, or over a period of years he pays premiums totaling, with interest, \$10,000. One-half of that sum is \$5,000. Four percent of that amount is \$200, which is regarded as income and is taxed at 5 percent. This makes a tax on the \$10,000 annuity of only \$10 or \$1 per thousand.

The proceeds of life policies paid in instalments under the instalment option must be reported, by the person receiving such instalment, as an annuity, notwithstanding that the instalment may be payable for only a comparatively short period. In reporting such proceeds, the rules laid down for regular annuities should be followed. The cost or purchase price would be the proceeds of the policy at date of claim or maturity.

Under the old tax law, owners of an annuity were required to report for taxation the value of the annuity as of the reporting date and were required to pay the full tax rate on such value. The taxes to be paid on annuities under the present law are, in comparison, insignificant.

If the owner of an annuity had the cost or purchase price of that annuity in the bank in cash he would be required to pay a 2 mill tax on the total sum. If he had that same sum invested in non-dividend paying stock he would be required to pay a 2 mill tax on the full amount. The same amount of money in the form of an annuity, in final analysis, calls for only a 1 mill tax, that is, one-tenth of 1 percent or \$1 on a thousand.

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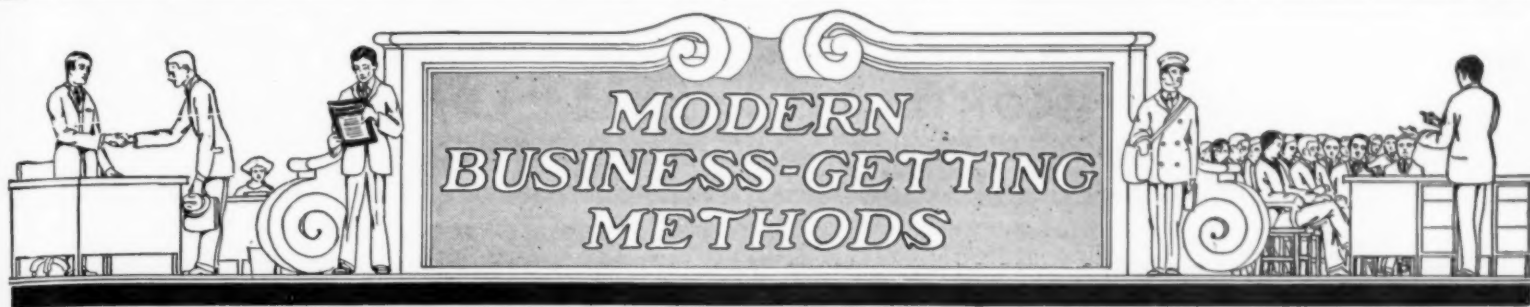
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Send 10 cents today and get a sample
of the NEW 1933 National Under-
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surance Exchange, Chicago.



Yates Views Life Insurance As Rolls-Royce Delivery Service of Money in Talk at Philadelphia

A formula for success in life insurance this year, and a creed for life agents, was presented by John W. Yates, general agent of the Massachusetts Mutual at Detroit, in an inspirational address before the tri-state sales congress in Philadelphia. Mr. Yates says success this year depends upon sound thinking and doing, plus self-discipline, plus what he calls "soul power," plus action. His subject was "What Price Prosperity?"

He said economists, bankers, business men and individuals from all walks of life are offering suggestions and plans to bring back prosperity, but, commendable as many of these are, they do not seem to him to get down to the bed-rock foundation upon which all permanent prosperity must rest—the individuals who collectively compose the commonwealth.

Return to Fundamental Thinking Is Essential

"Prosperity comes from sound thinking and doing," he said. "We are what we think. Since an agency as such cannot think, it remains for the individuals composing it to get back to fundamental thinking as the first basis for prosperity. We have allowed our minds to go off on tangents of unsound thinking and are now paying the price for our folly. Once we learn that by changing our thinking and laying hold upon positives instead of negatives, we shall climb the golden stairs of achievement and prosperity step by step."

"Right thinking and doing require self-discipline, which most people have given far too little attention to. I prefer to discipline myself and develop a more pleasing picture in my mind's eye and think of the rewards, or, I might say, the dividends which comes from self-discipline."

"With the finer conception of discipline fully understood and appreciated you will no longer frown when 'Big Ben' peals out 'get up,' or look upon your general agent as a truant officer when he urges you to complete your

daily reports and organize yourself to sell, all of which is only for the purpose of attaining the glorious success and all its rewards which you are seeking. You are your own worst enemy. Get wise to yourself and realize that your greatest problem is self-management."

"And this brings me to the consideration of what I choose to call 'soul power' in salesmanship—an unlimited power lying latent in the vast octaves of your being, waiting to be aroused in order to transform your life and be of uncalculable aid."

Urges Getting Truth of Life Insurance

"Get the truth of life insurance imbedded in your soul and see how convincing you become and how few objections you will have to answer. If there

can be no objection to giving children their mother's time, continuing incomes when they are cut off through old age, disability, unemployment or death; paying mortgage on homes; sending children to college, and continuing businesses after the death of principals, then there can be no objection to life insurance because that is life insurance in action."

"We may learn to think straight, discipline ourselves and draw upon the soul power to give our message the sincere ring which it must have to get belief, but unless we back all of this up by action we will not go very far. Action has been proved to be the best antidote for doubt, worry and fear."

Committed to the Divinity of Work

"I believe in the divinity of work. Life can only be expressed through action. Put action into your life through truly serving as many other people in the course of a business day as is humanly possible for you. Through concentration and sustained action during the hours of the day set apart for solving the problems of mankind, we find the

road to satisfaction, achievement and prosperity."

"Most people go through life without ever learning to concentrate all of their faculties on a given problem with such an intensity that the desired result must be forthcoming. As the sun's rays will not burn until brought to a focus, so the energies within you will not become very effective until you train yourself to concentrate them upon the problem in hand with an all-absorbing thoroughness."

Finds Diligence Is Not Common Attribute

"Few people have learned the meaning of diligence. I firmly believe that any man in our business who is putting in less than six diligent hours in the field, endeavoring to do planned selling, on carefully selected prospects who have been measured by the definition to be found in the 'Diamond Life Bulletin's' section on 'Prospecting,' after having spent a minimum of an hour a day in education or inspirational study, preceded by an hour of planning, is headed for trouble in 1932 if he has a budget to balance and a goal to reach."

"The final answer I wish to offer to the question, 'What Price Prosperity?' is to ask you how you interpret life insurance to your prospects. I have heard many presentations of life insurance in which I thought the agent should have had an interpreter so as to have made sure that the prospect had some slight idea of what was being talked about."

Prefers Canvass Based on Prospect's Plans

"I prefer to talk to the prospect regarding his program of life, the completing of life's plan, a plan to guarantee that his hopes, ambitions and aspirations may be underwritten and guaranteed of fruition against the hazards which cause so many of the expectations of life to fail."

"I like to think of \$20,000,000,000 saved by 68,000,000 of people in America as a great trust fund guaranteeing that the \$110,000,000,000 in estates will each mature and may be distributed in exactly the same manner which the depositors would have distributed them had they been allowed to remain on earth to earn and pay out every dollar represented in

How a Millionaire Answers

"I have property and do not need insurance."

My answer would depend entirely upon where the property was located and what the future possibilities of such property would be, and what the property is now bringing. My answer would be simply that he has no guarantee that conditions will always be the same, that the property may depreciate on account of quick changes in the neighborhood where it is located, that there also may be a mortgage on the same, that there may be considerable vacant space on the property or in the buildings; whereby the income of such property would not bring the anticipated or expected income. Whereas, in insurance it can be provided that the income be always the same, and no matter what the conditions it can never fail its assured provisions.

There are so many other replies that I could make, that it would take too much space to enumerate the same, because it depends always with whom I am dealing and no one answer would cover it.—Herman Kramer, Penn Mutual Life, Chicago.

"My Wife Objects"

(To be said with a smile), "If you are afraid to trust your own judgment in a matter as important as this and wish to throw the burden of responsibility on your wife, who is willing to sacrifice her happiness for your comfort, let your conscience be your guide, but you will not enjoy many peaceful moments until this injustice is rectified."—Cecil Frankel, Equitable Life of New York, Los Angeles.

Reciprocity - -

Physicians and mothers know full well that the "second summer" is the crucial one in an infant's development. Conscientious life underwriters know equally well that the second year is the danger period in the history of the average policy. Just as physician and mother are particularly observant and cautious for symptoms of illness during this hazardous time, so is the farsighted salesman alert and active for the preservation of his client's estate.

If the agent and his company wish to cling to as many policyholders as possible through the first two precarious years, the best way to assure results is by ADEQUATE COMPENSATION for the winning of the first renewal premium. In other words, when the company makes RENEWAL PAY WELL—as it logically should—there is greater satisfaction and service to client, agent, and company.

AMERICAN CENTRAL LIFE INSURANCE COMPANY
Indianapolis

AN UNUSUAL CONTRACT

will be offered to

AN UNUSUAL MAN

WHO

- is a producer
- is, of course, honest
- has three years of experience
- needs no financing
- is seeking opportunity
- will WORK
- can organize
- needs no drawing account or salary
- needs no office expense

BUT WHO will accept Home Office help in the appointment of new Agents under him for whom he will not be responsible financially and yet on whom he will receive overwriting Commissions as high as \$4 per thousand and long time Renewals.

THE COMPANY—is rated "A" by Best. Its rates for Insurance are extremely low.

(Age 35 Ordinary Life Net Cost First year per thousand \$17.85)

It writes all latest forms—Participating only—including an improved Family Income form; also Juvenile.

Has over \$135,000,000 in force.

TERRITORY—The Company desires especially to develop Indiana, Illinois, North Carolina and Texas.

ASSISTANCE—Experienced field men to help the man selected to build a real agency in which the Renewals are NON-FORFEITABLE.

We want an UNUSUAL Man

UNLESS you have no present connection, or you have a real reason for leaving your present connection and are not at fault yourself, we are not interested. Write fully about yourself. We will not communicate with references until after interview. Write W-25, The National Underwriter.

ARE YOU AWAKE TO OPPORTUNITY

Life Insurance Men of Vision Know That the Greatest Opportunity

Is with the Company That Is

NOT TOO LARGE NOT TOO OLD
NOT TOO SMALL NOT TOO YOUNG

The Solid Growing Company Officered by Men Who Are Agency Minded

WE HAVE THE TOOLS

Participating and Non-Participating Policies—Men and Women on Equal Terms—Total Disability and Double Indemnity

Circularization Aids — Supervisor's Help — Direct Contracts, Human Relations, Liberal Contracts and Special Producer's Clubs

If You Are Ready for a General Agency There Is Desirable Territory Open in IOWA—NEBRASKA—MINNESOTA—AND SOUTH DAKOTA

THE OLD LINE

CEDAR RAPIDS LIFE INSURANCE COMPANY

Jay G. Sigmund—Vice-Pres. & Agency Director
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CEDAR RAPIDS, IOWA

LNL MEN ARE THERE WITH THE GOODS---

Every
modern
life
and
annuity
contract

The Lincoln National Life Insurance Company. Fort Wayne, Indiana.

this huge sum—which forms some 48 percent of all property values.

"Narrowed down to the individual case, I like to think of a man as saving something out of current earnings for emergencies, which are sure to arise; paying for current necessities, such as shelter, food, clothing, recreation, education, and of being able immediately to set up a trust fund of as many thousands of dollars for his own future as he is now willing to deposit \$30 annually of current income already earned.

"I love to think of this trust maturing to him and furnishing the opportunity to play golf at Palm Beach, to visit the art galleries of Europe, to build a fishing cabin on the Rapidan or to sit in the corner and read to his heart's content. I love to think of this trust maturing to him or to his family even though his own earning power should be cut off through inability to work.

Puts Protection Benefits in Everyday Language

"I love to think of life insurance with its mighty hand reaching out into the future, five, 10, 15, 20 years, or even for a lifetime, and gathering in all of his future salary checks the day of his death and cashing them, and then a life insurance company becoming a sort of guardian angel of the trust fund represented by these checks, and distributing them just as he would have done had he been here to earn and distribute them.

"I love to think of life insurance becoming a second self, the flesh of his flesh and the bone of his bone, to guarantee that love shall never die.

Life Insurance As Key Locking Door of Poorhouse

"I love to think of it as the great emancipator of want, the key that locks the door to the poorhouse from the outside; as a winged messenger of peace, contentment and rest; as the thing that walks up to the college door, unlocks it and places on the registrar's desk the tuition for four years' of college, plus a check each month to cover other expenses, or an unflinching income that mother and the children cannot ever outlive; as the rock of ages of credit, the divine creed of faith and as patriotism in flower.

"I love to think of it as the Rolls-

Finds Cold Canvassing Best Method of Selling

Most agents fight shy of cold canvassing and many a promising looking prospective salesman quickly loses his enthusiasm for the career of life insurance if he thinks he is going to have to do much of this type of selling. S. T. Greene of the J. P. Graham, Jr., agency of the Aetna Life, New York City, prefers cold canvassing to any other system of selling, however. He has already paid for well over \$400,000 this year and by far the largest part of it was through cold canvass. In the two and one-half years he has been in the business he has sold about \$1,000,000 of life insurance and has called upon only three personal friends. He has about 150 policyholders.

"It is mathematical in its certainty," Mr. Greene says of cold canvassing. "I know that all the people I call on can be divided into three classes: first, those who have enough insurance or think they have—they will be by far the largest class; second, those who have just bought life insurance; and third, those who are just about to buy. The last two classes are small, but the man who is about to buy would just as soon buy from me as anyone else if my sales presentation is effective."

Mr. Greene sells the prospect on being examined, which he has found a very effective way of making sales with a minimum of lost motion. In getting in to see a man whom he has never seen before, he writes him a letter, getting his name and address from the directory. The letter is brief and is written for the sole purpose of enabling him to say truthfully to his prospect's secretary that "I am calling to see Mr. Blank about a letter I wrote him." Sometimes it works and sometimes it doesn't, but either way Mr. Greene knows that he is working on a system which is actually sound and on a highly remunerative basis provided he keeps making the calls.

Royce delivery service of money, which never breaks down, and to which can be harnessed every plan for fulfillment in every son and daughter of God to whom we carry a message."

Agency's Gains Come from Annuities

One of the agencies that is making a big success in the sale of annuities is the D. C. Kemp agency of the Equitable Life of New York in Chicago. That agency recorded a gain of 30 percent in 1931 over 1930 in paid business. January of 1932 was 40 percent ahead of January in 1930 and February of this year was 42 percent ahead of February last year. Mr. Kemp attributes this progress to the sale of annuities.

More than half of the producers in the Kemp agency are enrolled in an annuity instruction course. Mr. Kemp feels that most agents have very little knowledge of annuities and that the American public is almost completely ignorant on the subject. Inasmuch as there are some 40 types of annuities on the market, it is important that the producer have a sound knowledge of the contract as well as a conception of the

annuity principle in order to succeed. Producers in the Kemp agency are using a disarming approach to the prospect who says: "I have all the insurance I want."

"That is all right, Mr. Jones," the Kemp agents are instructed to say. "I presume that your family will be adequately provided for if you die. Every man has that obligation and I know that you have assumed it adequately, but what if you should not die prematurely? What if you should live beyond the retirement age? Have you provided an income for yourself?"

Whereas it is almost the universal experience of general agents and managers that investment and commercial bankers and bond salesmen are poor insurance producers, Mr. Kemp says that bankers and bond salesmen are proving to be star annuity producers.

TRIPLE INDEMNITY LIFE INSURANCE

with
NON-CANCELLABLE

Weekly Accident Coverage

combined in ONE contract for ONE Premium

Agencies available in Conn., Del., D. C., Md., Mass., Mich., Mo., N. H., N. J., N. C., Ohio, Penna., R. I., S. C. and Va.

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UNITED LIFE AND ACCIDENT INSURANCE COMPANY

United Life Building

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